

**6/4/77 [1]**

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THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Stu Eizenstat  
Bert Lance  
Frank Moore  
Jack Watson

The attached was returned in the  
President's outbox and is forwarded  
to you for your information and  
appropriate action.

Rick Hutcheson

Re: Proposed Rescissions &  
Deferrals

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
X	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA

	KRAFT
X	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS

THE WHITE HOUSE  
WASHINGTON

June 3, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: Proposed Rescissions and Deferrals

I have been unable to reach key OMB personnel. Therefore, I have gone through the OMB memo and identified the following items which appear to be non-controversial. (Attached)

I would note, however, that apparently OMB has apportioned the funds in question, and the rescissions and deferrals of these funds can in fact be proposed at a later time. A decision could be postponed until early next week.

Additional items might be included in the attached list after further consultation.

*Stu  
9/11 act  
early next  
week after  
analysis  
J*

**Electrostatic Copy Made  
for Preservation Purposes**



THE WHITE HOUSE  
WASHINGTON

Mr. President --

PLEASE SIGN

Today's the last day for  
funding deadling

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
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<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

(in millions)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal And Associated Outlay Savings</u>
D.C. Medical/dental schools	-0-	8.9	+8.9	8.9
Teaching Facilities	-0-	26.0	+26.0	26.0
Indochinese Refugee Assistance (Elementary & Secondary Educ.)	-0-	18.5	+18.5	18.5
Indochinese Refugee Assistance (Occupationa, Vocational, and Adult Education)	-0-	10.2	+10.2	10.2
TOTAL	-0-	63.6	+63.6	63.6

				<u>Amount of Deferral Proposal And Associated Outlay Savings</u>
Operating Funds - Uniformed Services University of the Health Sciences	-0-	12.5	+12.5	12.5
Special Foreign Currency Prog.	24.7	24.7	-0-	18.0
Pennsylvania Avenue Development Corporation Land Acquisition & Development Fund	25.0	25.0	-0-	17.0
TOTAL	49.7	62.2	+12.5	47.5



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUN 2 1977

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: Bert Lance

SUBJECT: Proposed rescissions and deferrals of funds provided in the Supplemental Appropriations Act, 1977

This memorandum seeks your decisions concerning whether to propose rescissions and report deferrals of certain funds provided in the 1977 Supplemental Appropriations Act. At the time the supplemental was forwarded to you for signature, I indicated that I would develop recommendations on rescission proposals and deferrals to help blunt the effect of the undesirable increases. If you agree to our recommendations and if they are accepted by the Congress, some of these actions would contribute toward a balanced 1981 budget.

We are attaching two lists containing candidates for rescission and deferral. At Tab A you will find a discussion of each candidate for rescission. In some cases, there is the difficult choice of either proposing a rescission or giving an agency relief on its personnel ceiling since the supplemental provides more funds than certain agencies can use unless the number of employees is increased. A discussion of items recommended for deferral is at Tab B. The recommended deferrals are largely routine financial management actions and, as such, are non-controversial. We are asking for your decision on each item that is attached.

Timing

The Antideficiency Act (31 U.S.C. 665) requires that OMB must apportion appropriated funds to the agencies not later than thirty days after enactment of legislation providing such authority. The deadline for initial apportionment and initial withholding of these supplemental funds is June 3, 1977. Therefore, it is important to have your decisions by that date. Upon receipt of your decisions, we will take the appropriate apportionment action. At that time, we will also prepare the actual rescission and deferral reports and the special message covering the reports to be transmitted to Congress. Also included in the special message package may be several routine increases to previously transmitted deferrals which are not directly associated with funds provided in the supplemental.

Attachments

JUN 2 1977



STAFF COMMENTS

THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*  
BERT CARP

SUBJECT:

Bert Lance Memorandum re Proposed Rescissions  
and Deferrals of funds provided in the  
Supplemental Appropriations Act, 1977

I received this memorandum at 6:25 p.m. today on an "immediate turnaround" basis, since your decision must be made tomorrow. The memorandum proposes twelve rescissions totalling \$586.2 million and four deferrals totalling \$122.5 million.

Time does not permit an appropriate analysis of this memo. I note that in a number of cases Cabinet Departments oppose these actions, and that in a number of other instances, the memorandum implies that Departments may not have presented their views (e.g. on the V.A.'s program for assistance for health manpower training institutions).

In particular, I am concerned about the proposal to rescind \$310.5 million in FY 1977 funds for the National Direct Student Loan Program. We are asking for a comparable reduction in FY 1978 funds. HEW notes that denial of these funds for the current fiscal year would cause severe problems for the colleges which administer the loan program and the students who rely on the loan -- given the lack of advance notice. This is not a problem with our proposal for FY 1978, since the result will be known well in advance. The same concern rests with respect to rescissions amounting to \$48 million for HEW's health professions education programs, where we are seeking to impact on FY 1977 funds.

My judgment is that most of the rescission requests (which require affirmative votes by both Houses of Congress) are unlikely to be accepted. Rescissions are very unpopular with Congress and rarely succeed absent advance Congressional consultation and agreement. There is a real question of wasting political capital on the FY 1977 budget over which we have much less control than the FY 1978 budget.

It is possible that making these proposals regarding the FY 1977 budget at this time will weaken the Administration's position with respect to the 1978 HEW, Agriculture, and water resources appropriations where, if a veto is necessary, we stand a good chance of sustaining that veto. You may want to talk with Frank Moore about this question. There does not appear to have been any Congressional notification or consultation by OMB.

While a number of the minor rescissions can be justified, I have a real question about the political adviseability of going forward with the others.

WATSON COMMENT: "I strongly endorse Stu's comments. I particularly would like to emphasize the fact that agencies have not have proper time to make their case on many of these issues."

FRANK MOORE'S OFFICE concurs with Stu and Jack.

TAB A



CONTENTS OF TAB A  
(in millions of dollars)

<u>Agency/Account</u>	<u>Amount of Recommended Rescission Proposal</u>
Department of Agriculture:	
Forest Service	
Forest protection and utilization (Forest and management).....	21.2
Construction and land acquisition.....	21.3
Timber salvage sales.....	3.0
Forest roads and trails.....	<u>6.0</u>
Total, Department of Agriculture.....	(51.5)
Department of Health, Education, and Welfare:	
National Institutes of Health.....	2.0
Health Resources Administration	
Health resources.....	56.9
Office of Education	
Elementary and secondary education (Indochinese refugee assistance).....	18.5
Occupational, vocational, and adult education (Indochinese refugee assistance).....	10.2
Higher education (National direct student loans).....	310.5
Salaries and expenses.....	<u>1.6</u>
Total, Department of Health, Education, and Welfare.....	(399.7)
General Services Administration:	
Federal Buildings Fund (Repair and alterations).	125.0
Veterans Administration:	
Department of Medicine and Surgery	
Assistance for health manpower training institutions.....	<u>10.0</u>
Total, recommended rescission proposals.....	586.2

DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
FOREST PROTECTION AND UTILIZATION  
FOREST LAND MANAGEMENT

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	208.0	233.0	+25.0	21.2
Outlays:				
1977.....	207.4	230.2	+22.9	-19.4
1978.....	0.5	2.7	+2.2	-1.8

EXPLANATION:

Funds appropriated by Congress to increase timber sales by 520 million board feet and recreation management by \$12 million should be proposed for rescission because adequate supporting information that justifies this increase has not been developed by previous reviews of the sales program and because of the associated requirement for more personnel. Indications are that benefit/cost relationships would be adverse for many of these additional sales.

AGENCY VIEW:

The Department recommends that the funds be made available for obligation but indicates the need for an increase in personnel ceilings of 245 full-time and 1,134 part-time positions.

RECOMMENDATION:

Propose rescission of \$21.2 million.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.



DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
CONSTRUCTION AND LAND ACQUISITION

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	0.2	21.9	+21.6	21.3
Outlays:				
1977.....	0.2	15.7	+15.5	-15.3
1978.....	-0-	5.2	+5.2	-5.0

EXPLANATION:

These funds were appropriated by Congress for construction of new recreation facilities and for major rehabilitation of existing facilities. They are recommended for rescission because of the associated requirements for additional personnel. This major increase is intended by the Congress to complement expanded construction and maintenance of national park and wildlife refuge facilities.

AGENCY VIEW:

The Department recommends that the funds be made available for obligation but indicates that this will require an increase in personnel ceilings of 48 full-time and 650 part-time positions.

RECOMMENDATION:

Propose rescission of \$21.3 million.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.

DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
TIMBER SALVAGE SALES

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	3.0	+3.0	3.0
Outlays:				
1977.....	-0-	2.7	+2.7	-2.7
1978.....	-0-	0.3	+0.3	-0.3

EXPLANATION:

Funds appropriated by the Congress to prepare 200 million board feet of timber for sale are recommended for rescission because the efficacy of these sales is questionable in the opinion of the OMB staff due to adverse benefit/cost relationships. Moreover, additional personnel would be required in order to use the funds.

AGENCY VIEW:

The Department recommends acceptance of the Congressional increase but indicates that additions of 100 full-time and 74 part-time positions would be required in order to use the funds.

RECOMMENDATION:

Propose rescission of \$3.0 million.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
NATIONAL INSTITUTES OF HEALTH

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	2.0	+2.0	2.0
Outlays:				
1977.....	-0-	0.5	+0.5	-0.5
1978.....	-0-	1.0	+1.0	-1.0

EXPLANATION:

No proven shortage exists of biomedical researchers, whom these funds would train. Market forces should encourage new researchers to enter areas of high need, especially, high-paying ones like these. In addition, the Environmental Protection Agency is also funding \$4 million per year in training for environmental carcinogenesis, the area identified for increased funding.

AGENCY VIEW:

The new Toxic Substances Control Act has created a need for substantially greater numbers of toxicologists. There is also an increased public awareness and concern in the environmental carcinogenesis area.

RECOMMENDATION:

Propose a rescission of these training funds.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.

DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
FOREST ROADS AND TRAILS

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	6.0	+6.0	6.0
Outlays:				
1977.....	-0-	1.2	+1.2	-1.2
1978.....	-0-	3.9	+3.9	-3.9

EXPLANATION:

These funds were appropriated by Congress for road construction to support additional timber sales. The funds are recommended for rescission because serious reservations exist concerning the efficacy of the additional sales due to adverse benefit/cost relationships. There is also an associated requirement for additional personnel in order to use the funds.

AGENCY VIEW:

The Department recommends acceptance of the unrequested funds but indicates that this will require an increase in the personnel ceiling of 128 full-time and 74 part-time positions.

RECOMMENDATION:

Propose rescission of \$6.0 million. This action is consistent with the recommendation to propose rescission of funds to increase timber sales.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
HEALTH RESOURCES ADMINISTRATION  
HEALTH RESOURCES

CANDIDATE FOR: Rescission  
(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority:				
Health planning.....	-0-	5.0	+5.0	-0-
Health professions education:				
Capitation..	97.7	119.1	+21.4	18.0
Student assistance.	58.4	67.4	+9.0	4.0
Special projects...	145.9	188.5	+42.6	-0-
Teaching facilities.	-0-	26.0	+26.0	26.0
D.C. medical/dental schools....	<u>-0-</u>	<u>8.9</u>	<u>+8.9</u>	<u>8.9</u>
Total, Budget Authority.....	302.0	414.9	+112.9	56.9
Outlays:				
1977.....	85.0	100.0	+15.0	-10.0
1978.....	150.0	209.0	+59.0	-30.0

EXPLANATION:

We recommend rescission of \$57 million appropriated for programs for which the 1978 budget requested no funding in 1978 (veterinary medicine, optometry, podiatry, and pharmacy (VOPP) capitation and capital contributions to school loan funds) and for appropriations which are essentially private relief (teaching facilities and D.C. medical and dental schools).

Programs not proposed in 1978. The 1977 supplemental appropriated \$22 million for two programs--VOPP capitation and capital contributions--for which the Administration did not request funding in 1978. Acceptance of these funds in 1977 will make it all the more difficult

to oppose congressional add-ons in 1978. The \$18 million appropriated for VOPP capitation is essentially a tuition replacement for students who will have high income potential upon graduation. The potential indebtedness--if capitation is translated into student borrowing for tuition--would range from \$342 to \$732 per student depending upon the discipline. These professions are not in critical geographic or numerical short supply. The proposed rescission of \$4 million for Federal grants to schools for their loan funds is consistent with the policy that students should seek financial assistance in 1978 through the needs-tested programs of the Office of Education. The \$20 million requested in 1977 for Federal grants to schools for student loans would remain available and would be the last categorical Federal grants for this purpose.

Private relief programs. The 1977 supplemental appropriated \$34.9 million as direct congressional grants or private relief legislation. Past Administrations have opposed such legislation on the basis of its inequities, preferring, at a minimum, to have these funds available on a competitive basis for all similar projects. Of the \$34.9 million, \$26 million was appropriated to develop four regional schools of veterinary medicine. Creating such new schools is a low priority in the attainment of our national health goals since projected supplies of veterinarians seem adequate. The remaining \$8.9 million is for three District of Columbia medical and dental schools. It represents general operating support which the schools could acquire through: national competition for financial distress grants; raising tuitions for students who will earn incomes in the upper 5% of the income spectrum; support from the District of Columbia in return for service commitment arrangements; and administrative efficiencies. These schools will already receive \$2.2 million annually in capitation funding from the Federal Government.

#### AGENCY VIEW:

HEW generally opposes, as inequitable, direct congressional grants or private relief legislation such as the \$34.9 million provided for veterinary schools and District of Columbia medical and dental schools. HEW would, however, oppose the other components of this rescission proposal, believing that the Congress would not support them.

#### DECISION:

- ☐ Propose rescission.
- ☐ Make funds available for obligation.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
OFFICE OF EDUCATION  
ELEMENTARY AND SECONDARY EDUCATION  
INDOCHINESE REFUGEE ASSISTANCE

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	18.5	+18.5	18.5
Outlays:				
1977.....	-0-	10.5	+10.5	-10.5
1978.....	-0-	8.0	+8.0	-8.0

EXPLANATION:

These funds go to provide support to local educational agencies for refugee children. Since no refugee camps for the Indochinese are still in existence, this amounts to an "impact aid" with no income or means test. As such, it appears to be an unjustifiable expenditure.

AGENCY VIEW:

The Department would support this rescission proposal since most of the former refugees have been integrated into American society and the needs of the remainder can be met through existing programs.

RECOMMENDATION:

Rescind the full amount.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
OFFICE OF EDUCATION  
OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION  
INDOCHINESE REFUGEE ASSISTANCE

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority...	-0-	10.2	+10.2	10.2
Outlays:				
1977.....	-0-	3.1	+3.1	-3.1
1978.....	-0-	7.1	+7.1	-7.1

EXPLANATION:

The Administration did not request any funds in the supplemental for Indochinese adult education; the Congress provided \$10.2 million. This \$10.2 million should be rescinded because funds previously provided for this activity are sufficient to meet the short-term training objective set by the program.

AGENCY VIEW:

The Department would support this rescission proposal since most of the former refugees have been integrated into American society and the needs of the remainder can be met through existing programs.

RECOMMENDATION:

Propose rescission of the congressional increase.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
OFFICE OF EDUCATION  
HIGHER EDUCATION  
NATIONAL DIRECT STUDENT LOANS

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	310.5	+310.5	310.5
Outlays:				
1977.....	-0-	-0-	-0-	-0-
1978.....	-0-	310.5	+310.5	-310.5

EXPLANATION:

This appropriation for direct student loans runs counter to the Administration's policy of reliance on the guaranteed loan program as the vehicle for providing loan capital for higher education. Proposing rescission at this time would, at a minimum, involve delaying awards until August or early September even if the Congress did not accept the proposal, if the funds were being withheld from obligation while the proposal was being considered. (This withholding action would be necessary to prevent the use of the funds.) Direct loan recipients are usually notified of their award for the fall semester in May or June. In some cases, a delay in notification would present problems for students who require these funds for the fall semester, possibly resulting in their switching schools or not registering for the fall semester at all.

AGENCY VIEW:

The agency would be opposed to the proposed rescission on political grounds and on the basis of the administrative difficulties that colleges would encounter, if, as appears likely, the funds are released in August or September because of congressional inaction on the proposed rescission.

RECOMMENDATION:

Proposed to rescind the increase.

DECISION:

- ☐ Propose rescission.
- ☐ Make funds available for obligation.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
OFFICE OF EDUCATION  
SALARIES AND EXPENSES

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	4.1	4.1	-0-	1.6
Outlays:				
1977.....	3.5	3.5	-0-	-1.4
1978.....	0.4	0.4	-0-	-0.2

EXPLANATION:

The 1977 supplemental appropriation included \$1.6 million for 225 positions. The positions were to bolster Federal monitoring efforts for education programs subject to fraud and abuse. The President's employment reduction program established individual agency personnel totals at a level not to exceed on-board strength as of February 28, 1977. Because the supplemental appropriations had not been enacted as of that date, the 225 positions are not expected to be filled. The costs to support those positions are therefore recommended for rescission. This action maintains the salaries and expenses account at a level consistent with the 1977 operating plan and does not unnecessarily drive up the base of expenditures for on-board staff.

AGENCY VIEW:

The Department will oppose this rescission. They would like to shift the funds to other than personnel compensation areas of the account, such as travel, equipment, etc.

RECOMMENDATION:

Rescind the portion of the supplemental associated with positions which have been frozen.

DECISION:

☐ Propose rescission.

☐ Make funds available for obligation.



GENERAL SERVICES ADMINISTRATION  
FEDERAL BUILDINGS FUND  
REPAIR AND ALTERATIONS

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	125.0	+125.0	125.0
(Program				
level) <u>1/</u> ..	(61.0)	(186.0)	(+125.0)	(125.0)
Outlays:				
1977.....	24.0	74.0	+50.0	-50.0
1978.....	24.0	74.0	+50.0	-50.0
1979.....	13.0	38.0	+25.0	-25.0

EXPLANATION:

The \$125 million approved in the supplemental is an appropriation to the Federal Buildings Fund for repairs and alterations that was not requested by the Administration. It was intended by the Congress to aid construction industry employment. We recommend rescission because:

- ° This unprecedented appropriation contributes to undermining the way the fund was intended to function when established by P.L. 92-313: all GSA real property activities were to be financed by payments to the fund from Federal agencies. If this appropriation is allowed to go unchallenged, it establishes a precedent whereby Congress may choose to appropriate to the fund in the future for such purposes as constructing new Federal buildings. Without appropriations, the fund has no net effect on Federal outlays, but each appropriation increases outlays.
- ° Increased employment which Congress intended as a result of appropriating the funds will not result as quickly, nor will as many be employed as expected. The employment that does occur will be spread over the next three years and will probably occur in skilled craft areas where unemployment is not acute.

1/ New obligational authority. There is no budget authority in the fund. The congressional add-on of \$125 million in budget authority would be paid into the fund.

It should be noted that no more than \$80 million can be obligated in FY 1977, with outlays spread over three years. This fact negates the intent of Congress that funds be placed in the construction market to generate employment.

- ° OMB approved \$205 million for repair and alterations in FY 1978. This amount--within the fund--is double its historic level. The 1978 level that is being approved by Congress will allow GSA an appropriate amount of planning time to select projects of highest priority. However, projects that will be done with the 1977 supplemental funding--in the absence of a rescission--will require rushed planning and the selection of small projects that may not be of the highest priority. The supplemental amount is untimely and unnecessary.

AGENCY VIEW:

GSA can be expected to have mixed views about the \$125 million. Those in the repair and alternation program view it as a wind-fall that can help the program. Others, however, view the necessity to spend the funds so rapidly as action that will result in inefficient and wasteful projects.

DECISION:

- ☐ Propose rescission.
- ☐ Make funds available for obligation.



VETERANS ADMINISTRATION  
DEPARTMENT OF MEDICINE AND SURGERY  
ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

CANDIDATE FOR: Rescission

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Rescission Proposal and Associated Outlay Savings</u>
Budget				
Authority..	-0-	10.0	+10.0	10.0
Outlays:				
1977.....	-0-	-0-	-0-	-0-
1978.....	-0-	1.9	+1.9	-1.9

EXPLANATION:

The 1977 Supplemental contained a \$10.0 million appropriation to VA's health manpower training program. These funds, which were not requested by the Administration, would increase the size of the program by one-third. The funds would be used for 28 projects (see attached list) for largely non-medical school manpower programs that had previously been placed in an "approved but not funded" category by the VA. The development of a backlog in this category stems from VA's emphasis since the 1972 commencement of the program on grants to medical schools. In 1977, no funds remain for new grants at the \$35 million program level because of the earlier decisions to furnish long-term grants to medical schools. In addition, the program presently duplicates certain HEW health manpower programs, contradicts current physician manpower development policies by expanding enrollments rather than redirecting physicians toward geographic and specialty shortages, and cannot demonstrate a compelling contribution to VA programs.

The authority for this program expires at the end of FY 1979. We believe a zero base review will raise serious questions about the desirability of extending it.

AGENCY VIEW:

VA is likely to oppose this rescission because the small dollar total of the grants makes them relatively unobjectionable. In addition, VA believes that funding for the program has been very restrictive. VA attributes this restrictiveness to inadequate appropriations being requested and a "no new starts" policy being imposed rather than as the result of questionable VA resource allocation decisions early in the program.



RECOMMENDATION:

While the individual grants that would be funded by the supplemental appropriation may be worthy, it is not advisable to expand this program since it is a candidate for termination. Our recommendation--based on programmatic grounds--is to propose rescission of the \$10 million.

DECISION:

- ☐ Propose rescission.
- ☐ Make funds available for obligation.

Attachment

VETERANS ADMINISTRATION MEDICAL SCHOOL ASSISTANCE AND  
HEALTH MANPOWER TRAINING ACT OF 1972 (P.L. 92-541)

Assistance to Affiliated Medical Schools and Other  
Health Manpower Training Institutions  
(Subchapters II, III, and IV)

Approved but Unfunded Applications  
Remaining under Active Consideration  
until June 30, 1977

Institution	Location	Applic. No.	General Category	TOTAL Amount Approved (includes indirect cost and Subchapter IV)	Senators	Representative
Eastern Virginia Medical Authority	Hampton, Virginia	0266-S1	Subchapter II (affiliated medical school)	\$ 766,067	Harry F. Byrd, Jr. (D) William Lloyd Scott (R)	William Whitehurst (R)
Univerity of Nebraska	Lincoln, Nebraska	0532	Nursing	61,691	Carl T. Curtis (R) - Edward Zorinsky (D)	Charles Thone (R)
Erie Community College	Buffalo, New York	0518	Dental Auxiliary	819,138	Jacob K. Javits (R) Daniel P. Moynihan (D)	Jack Kemp (R)
Otero Junior College	LaJunta, Colorado	0527	Nursing	668,764	Floyd K. Haskell (D) Gary Hart (D)	Frank E. Evans (D)
Duke University	Durham, North Carolina	0482	Radiology Technology	343,506	Jesse A. Helms (R) Robert Morgan (D)	Ike F. Andrews (D)
Medical College of Virginia	Richmond, Virginia	0501	Medical Records	369,202	Harry F. Byrd, Jr. (D) William Lloyd Scott (R)	David E. Satterfield, III (D)
Bangor Community College	Bangor, Maine	0334-S1	Dental Assistant and Dental Hygiene	26,670	Edmund S. Muskie (D) William D. Hathaway (D)	William S. Cohen (R)
University of Houston	Houston, Texas	0493	Pharmacy	266,131	John G. Tower (R) Lloyd M. Bentsen (D)	Barbara Jordan (D)



Institution	Location	Applic. No.	General Category	TOTAL Amount Approved (includes indirect costs and Subchapter IV)	Senators	Representatives
Southern California College of Optometry	Fullerton, California	0499	Optomtery	1,228,422	Alan Cranston (D) S. I. Hayakawa (R)	Charles E. Wiggins (R)
Tuskegee Area Health Education Consortium	Tuskegee, Alabama	0161-S1	Multi-discipline	255,130	John J. Sparkman (D) James B. Allen (D)	Bill Nichols (D)
Penn Valley Community College	Kansas City, Missouri	0464	Medical Laboratory Technology	455,168	Thomas F. Eagleton (D) John C. Danforth (R)	Richard Bolling (D)
Middlesex Community College	Bedford, Massachusetts	0522	Dental Hygiene	447,938	Edward M. Kennedy (D) Edward W. Brooke (R)	Paul E. Tsongas (D)
Duke University	Durham, North Carolina	0483	Audiology and Speech Pathology	466,151	Jesse A. Helms (R) Robert Morgan (D)	Ike F. Andrews (D)
College of St. Benedict	St. Joseph, Minnesota	0171-P1	Mental Health Associate	72,760	Hubert H. Humphrey (D) Wendell R. Anderson (D)	Richard Nolan (D)
University of Puerto Rico	San Juan, P.R.	0474	Nuclear Med. Technology	241,130		Baltasar Corrada (D)
University of North Dakota	Grand Forks, North Dakota	0475	Physical Therapy	349,641	Milton R. Young (R) Quentin N. Burdick (D)	Mark Andrews (R)
Texas Woman's University	Denton, Texas	0515	Dietetics	140,258	John G. Tower (R) Lloyd M. Bentsen (D)	Ray Roberts (D)
Texas Woman's University	Denton, Texas	0530	Nursing Continuing Education	377,989	John G. Tower (R) Lloyd M. Bentsen (D)	Ray Roberts (D)



Institution	Location	Applic. No.	General Category	TOTAL Amount Approved (includes indirect cost and Subchapter IV)	Senators	Representative
University of Alabama	Birmingham, Alabama	0496	Nuclear Med. Technology	273,468	John J. Sparkman (D) James B. Allen (D)	John Buchanan (R)
Virginia Polytechnic Institute	Blacksburg, Virginia	0510	Dietetics	159,230	Harry F. Byrd, Jr. (D) William Lloyd Scott (R)	William C. Wampler (R)
Hahnemann Medical College	Philadelphia, Pennsylvania	0473	Audiology and Speech Pathology	442,080	Richard S. Schweiker (R) H. John Heinz 3rd (R)	Robert N. C. Nix (D)
University of Arkansas	Little Rock, Arkansas	0121-S1	Audiology and Speech Pathology	171,174	John L. McClellan (D) Dale Bumpers (D)	James G. Tucker, Jr. (D)
University of South Carolina	Columbia, South Carolina	0524	Pharmacy	444,149	Strom Thurmond (R) Ernest F. Hollings (D)	Floyd Spence (R)
University of Alabama	Birmingham, Alabama	0497	Dietetics	126,252	John J. Sparkman (D) James B. Allen (D)	John Buchanan (R)
Laboure Junior College	Boston, Massachusetts	0507	Dietetics	240,276	Edward M. Kennedy (D) Edward W. Brooke (R)	John J. Moakley (D)
Boston University	Boston, Massachusetts	0506	Biomed. Instru. and Mach. Operat.	187,512	Edward M. Kennedy (D) Edward W. Brooke (R)	Thomas P. O'Neill, Jr. (D)
Medical College of Georgia	Augusta, Georgia	0517	Respiratory Therapy	400,660	Herman E. Talmadge (D) Sam Nunn (D)	D. Douglas Barnard, Jr. (D)
Weber State College	Ogden, Utah	0495	Social Work	244,363	Jake Garn (R) Orrin G. Hatch (R)	K. Gunn McKay (D)
TOTAL				\$10,044,911		

The above funds provide total funding for the life of the grant.

TAB B

CONTENTS OF TAB B  
(in millions of dollars)

<u>Agency/Account</u>	<u>Amount of Recommended Deferral</u>
Department of Defense-Military:	
Funds for operating the Uniformed Services	
University of the health sciences.....	12.5
Department of Health, Education, and Welfare:	
Health Services Administration	
Indian health facilities.....	75.0
Department of State:	
Administration of Foreign Affairs	
Acquisition, operation, and maintenance	
of buildings abroad (special foreign	
currency program).....	18.0
Other Independent Agencies:	
Pennsylvania Avenue Development Corporation	
Land acquisition and development fund.....	<u>17.0</u>
Total, recommended deferrals.....	122.5



DEPARTMENT OF DEFENSE - MILITARY  
FUNDS FOR OPERATING THE UNIFORMED SERVICES UNIVERSITY  
OF THE HEALTH SCIENCES IN 1978

CANDIDATE FOR: Deferral

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Deferral and Associated Outlay Savings</u>
Budget				
Authority..	-0-	12.5	+12.5	12.5
Outlays:				
1977.....	-0-	-0-	-0-	-0-
1978.....	-0-	11.3	+11.3	-0-

EXPLANATION:

The Carter Administration budget deleted funds for operating the University in 1978. Congress has added these funds to several appropriation accounts in the 1977 supplemental and made them available until the end of 1978. Since the Congress appropriated these funds for operating the University in 1978, they should not be apportioned for use in 1977. This is a routine financial management action.

AGENCY VIEW:

Agency will not oppose a deferral.

RECOMMENDATION:

Deferral is recommended in order to comply with the intent of Congress. These funds would be apportioned at a later time for use in 1978.

DECISION:

☐ Defer.

☐ Make funds available for obligation.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
HEALTH SERVICES ADMINISTRATION  
INDIAN HEALTH FACILITIES

CANDIDATE FOR: Deferral

	(in millions of dollars)			Amount of
	Administration	Enacted	Change	Deferral
	<u>Request</u>			<u>and Associated</u>
				<u>Outlay Savings</u>
Budget				
Authority....	-0-	75.0	+75.0	75.0
Outlays:				
1977.....	-0-	20.3	+20.3	-20.3
1978.....	-0-	10.0	+10.0	-10.0

EXPLANATION:

The \$75 million Indian health facilities increase would fund sanitation facilities for new and existing Indian housing. We recommend deferral of the increase. The House Appropriations Committee intends to instruct the Indian Health Service that the total Indian health facilities appropriation for 1977 of \$163.2 million, including the \$75 million add-on, should be considered a two-year appropriation of approximately \$81.6 million for each of the years 1977 and 1978. The President's 1978 Budget included a total for the two years of \$162.6 million--\$88.2 for 1977 and \$74.4 million for 1978. The annualized level of the \$75.0 million is consistent with the President's Budget request. We propose a deferral to insure that these funding levels are followed.

AGENCY VIEW:

HEW would oppose the deferral--until the House Appropriations Committee has made its two year allowance official in the 1978 appropriation--on the grounds that the "unmet need" in existing Indian housing is great and that it would be possible to obligate the entire higher amount in 1977.

RECOMMENDATION:

Defer the \$75 million add-on for the remainder of 1977.

DECISION:

☐ Defer.

☐ Make funds available for obligation.



DEPARTMENT OF STATE  
ADMINISTRATION OF FOREIGN AFFAIRS  
ACQUISITION, OPERATION, AND MAINTENANCE  
OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)

CANDIDATE FOR: Deferral

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Deferral and Associated Outlay Savings</u>
Budget Authority..	24.7	24.7	-0-	18.0
Outlays:				
1977.....	5.1	5.1	-0-	-0-
1978.....	3.0	3.0	-0-	-0-

EXPLANATION:

Of this appropriation to provide apartments in Cairo for Department of State and Agency for International Development employees, only \$6.7 million can be obligated in fiscal year 1977, covering design work and site acquisitions. The remaining \$18 million for construction cannot be obligated until design work is completed in fiscal year 1978. The latter amount, therefore, should be deferred throughout 1977 and made available for obligation in 1978. This is a routine financial management action.

AGENCY VIEW:

Department agrees.

RECOMMENDATION:

Defer the \$18 million, which cannot be used in 1977, for use in 1978.

DECISION:

- ☐ Defer.
- ☐ Make funds available for obligation.



PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION (PADC)  
LAND ACQUISITION AND DEVELOPMENT FUND

CANDIDATE FOR: Deferral

(in millions of dollars)

	<u>Administration Request</u>	<u>Enacted</u>	<u>Change</u>	<u>Amount of Deferral and Associated Outlay Savings</u>
Budget				
Authority..	25.0	25.0	-0-	17.0 <sup>1/</sup>
Outlays:				
1977.....	5.0	5.0	-0-	-0-
1978.....	20.0	20.0	-0-	-0-

EXPLANATION:

This account is the financing mechanism for PADC land acquisition and management resources (authority to borrow from Treasury). Expenditures from this account in FY 1977 will support the first development activity undertaken by the PADC in conformance with its redevelopment plan for the Pennsylvania Avenue area. Discussions with developers and specific proposals have not advanced to a stage where a true spending plan is available for intended land purchases in FY 1977, with the exception of the Willard Hotel site (valued at \$5-8 million). This deferral represents routine financial management pending development of such plans; OMB intends to make these funds available to PADC when it is ready to obligate them, possibly as early as September 1977. The funds remain available through FY 1980.

AGENCY VIEW:

PADC has no objection to this approach, understanding that we will make additional funds available on an as-needed basis.

RECOMMENDATION:

Defer \$17 million now; anticipate making additional funds available late in the fourth quarter of FY 1977.

DECISION:

☒ Defer.

☐ Make funds available for obligation.

<sup>1/</sup>These funds are currently being withheld from obligation.

Apportionment action was required in order to make the \$8 million available for purchase of the Willard Hotel site.

THE WHITE HOUSE

WASHINGTON

Date: June 2, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat  
Jack Watson

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Bert Lance memo 6/2/77 re Proposed Rescissions and  
Deferrals of funds provided in the Supplemental  
Appropriations Act, 1977

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE  
DAY: TURNAROUND  
DATE:

ACTION REQUESTED:

Other: ☒ Your comments

STAFF RESPONSE:

☐ I concur. ☐ No comment.  
*Please note other comments below:*

PLEASE NOTE THE DATE REQUESTED ---  
DEADLINE FOR INITIAL APPORTIONMENT AND  
INITIAL WITHHOLDING OF THESE FUNDS IS  
JUNE 3, 1977

6/4  
PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required  
material, please telephone the Staff Secretary in Room 5000 (T-1000) 7050



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
X		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
X		WATSON	Staff Secretary
			next day

X	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
X	IMMEDIATE TURNAROUND

	ARAGON		KRAFT
	BOURNE		LANCE
	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

THE WHITE HOUSE

WASHINGTON

Date: June 2, 1977

MEMORANDUM,

FOR ACTION:

Stu Eizenstat  
Jack Watson

FOR INFORMATION:

1977 JUN 2 PM 6 20

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Bert Lance memo 6/2/77 re Proposed Rescissions and  
Deferrals of funds provided in the Supplemental  
Appropriations Act, 1977

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE  
DAY: TURNAROUND  
DATE:

ACTION REQUESTED:

Other: ☒ Your comments

STAFF RESPONSE:

☐ I concur. ☐ No comment.  
Please note other comments below:

I strongly endorse Stu's comments. I particularly would like  
to emphasize the fact that agencies have not had proper time  
to make their case on many of these issues.

PLEASE NOTE THE DATE REQUESTED ---

DEADLINE FOR INITIAL APPORTIONMENT AND  
INITIAL WITHHOLDING OF THESE FUNDS IS  
JUNE 3, 1977

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
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		WATSON	Staff Secretary
			next day

	FOR STAFFING
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	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
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	ARAGON		KRAFT
	BOURNE		LANCE
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	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
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	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Stu Eizenstat

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: Taxes as a Percent of GNP



THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

Stu  
J

June 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*  
SUBJECT: Taxes as a Percent of GNP

The tables attached show the ratio to GNP of total Federal expenditures and revenues of each type. The last two columns of the table show some additional data which allow you to translate the ratio of personal taxes to GNP into the ratio of personal taxes to personal income.

For ease in reading, the first table shows only selected years from 1960 to 1981. The second table gives every year from 1955 on.

The 1981 OMB projection is based on "current policy" -- no changes in tax laws and no new expenditure programs. But that projection puts revenues some \$48 billion ahead of expenditures in a high employment economy. Therefore, for illustrative purposes only, the final row in the first table (labeled: 1981 B), shows the results if:

- we balanced the budget in 1981 at 21 percent of GNP
- by increasing expenditures, and
- by cutting taxes -- \$15 billion for individuals and \$7 billion for corporations. ←

Compared to most earlier high employment years, the following results would occur:

- both expenditures and revenues would be a modestly higher fraction of GNP (21 percent versus 19.5 to 20.5 percent);
- personal taxes, even after reduction, would be a higher percentage of GNP (9.7 percent versus 7.5 to 8.5); they would also be a higher percent of personal income (12.0 percent versus 10 to 11 percent);

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for Preservation Purposes**

- the growth in the share of social insurance taxes would be even larger than the growth in personal income taxes;
- there would be a substantial fall in the share of corporate taxes and excise taxes; together these taxes fall from 6 percent of GNP in 1966 to 4.1 percent in 1981.

In brief, a 21 percent share of revenues in GNP is slightly higher than in the past. Since the shares of corporate taxes and excise taxes will have fallen by more than social insurance taxes will have risen, some increase in the ratio of personal taxes to GNP (or personal income) must occur, unless

- we have a much larger tax reduction (and either forfeit a balanced budget or really slash expenditures), or
- we increase other taxes.

Attachments



Table 1

## Ratios of Expenditures and Taxes to GNP and Personal Income (fiscal years)

(percent)

	Expenditures	Receipts							Personal	Personal
		Total	Personal taxes	Corp. profits taxes	Social insurance taxes	Excise taxes	Others	as share of GNP	income : taxes as share of personal income	as share of personal income
1960	18.5	18.6	8.2	4.3	3.0	2.4	0.8	78.6	10.4	
1970	20.5	20.2	9.4	3.4	4.7	1.6	1.0	80.8	11.7	
1973	20.0	18.8	8.3	2.9	5.2	1.3	1.0	80.4	10.4	
1976	22.7	18.6	8.2	2.6	5.8	1.1	1.1	81.6	10.0	
1981 A	20.0	21.8	10.3 <sup>1/</sup>	3.0	6.4	1.4 <sup>1/</sup>	0.8	80.9	12.7 <sup>1/</sup>	
1981 B	21.0	21.0	9.7 <sup>1/</sup>	2.7	6.4	1.4 <sup>1/</sup>	0.8	80.9	12.0 <sup>1/</sup>	

1981 A: OMB projection of receipts and expenditures with no changes in tax laws and no new expenditure programs ("current policy" expenditures)

1981 B: Assumes 1981 budget is balanced at 21 percent of GNP; personal taxes are cut by \$15 billion and on corporate taxes by \$7 billion.

<sup>1/</sup> Assumes a recycling of most of the wellhead tax through income tax reductions.

Table 2  
 Ratios of Unified Federal Budget  
 Items to GNP, Fiscal Years  
 (Percent)

Year	Expenditures	Receipts						Pers. Income as a share of GNP	Pers. Income Taxes as a Share of Personal Income
		Total	Pers. Taxes	Corp. Profits Taxes	Soc. Ins. Taxes	Excise Taxes	Other <sup>1/</sup> Receipts		
1955	17.98	17.18	7.54	4.69	2.06	2.40	0.49	77.74	9.7
1956	17.15	18.14	7.83	5.08	2.27	2.42	0.54	77.99	10.0
1957	17.71	18.46	8.22	4.88	2.31	2.43	0.62	78.75	10.4
1958	18.70	18.03	7.86	4.54	2.54	2.41	0.67	79.91	9.8
1959	19.54	16.81	7.80	3.67	2.49	2.23	0.60	78.87	9.9
1960	18.51	18.56	8.18	4.31	2.95	2.35	0.78	78.63	10.4
1961	19.21	18.54	8.12	4.12	3.23	2.33	0.75	79.60	10.2
1962	19.57	18.26	8.35	3.76	3.12	2.29	0.73	78.51	10.6
1963	19.29	18.47	8.25	3.74	3.43	2.29	0.76	78.21	10.5
1964	19.24	18.28	7.90	3.81	3.57	2.23	0.77	77.58	10.2
1965	18.00	17.75	7.41	3.87	3.38	2.22	0.88	78.17	9.5
1966	18.64	18.11	7.67	4.16	3.54	1.81	0.93	77.71	9.9
1967	20.46	19.33	7.95	4.39	4.31	1.77	0.90	78.38	10.1
1968	21.54	18.51	8.28	3.45	4.17	1.70	0.91	78.67	10.5
1969	20.41	20.77	9.65	4.06	4.41	1.68	0.96	79.17	12.2
1970	20.47	20.18	9.42	3.42	4.72	1.64	0.99	80.78	11.7
1971	20.73	18.47	8.46	2.63	4.76	1.63	1.00	81.28	10.4
1972	20.87	18.77	8.52	2.89	4.85	1.39	1.11	80.63	10.6
1973	19.95	18.75	8.34	2.92	5.21	1.31	0.97	80.37	10.4
1974	19.85	19.50	8.76	2.84	5.65	1.24	1.01	81.32	10.8
1975	22.87	19.70	8.58	2.85	6.06	1.14	1.03	83.60	10.2
1976	22.73	18.61	8.16	2.57	5.75	1.05	1.08	81.55	10.0
1977	22.41 ←	19.66 -	8.75 -	2.99 -	5.93 -	.98 -	1.01 -	81.59 -	10.72 ~
1978	22.67	19.58	8.70	2.89	6.06	1.06	.87	80.87	10.75
1979	21.74	20.51	9.39	2.95	6.09	1.22	.85	80.99	11.59
1980	20.78	21.16	9.82	2.97	6.15	1.39	.83	80.91	12.14
1981	20.04	21.81	10.26	2.96	6.39	1.38	.82	80.85	12.69 <sup>2/</sup>

<sup>1/</sup> Customs duties, estate and gift taxes, and miscellaneous receipts.

<sup>2/</sup> Assumes a recycling of the well-head tax through income taxes.  
 would be 13.1 percent.

Without allowance for this, the ratio



THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

Stu  
J.

June 3, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*  
SUBJECT: Taxes as a Percent of GNP

The tables attached show the ratio to GNP of total Federal expenditures and revenues of each type. The last two columns of the table show some additional data which allow you to translate the ratio of personal taxes to GNP into the ratio of personal taxes to personal income.

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- by increasing expenditures, and
- by cutting taxes -- \$15 billion for individuals and \$7 billion for corporations. ←

Compared to most earlier high employment years, the following results would occur:

- both expenditures and revenues would be a modestly higher fraction of GNP (21 percent versus 19.5 to 20.5 percent);
- personal taxes, even after reduction, would be a higher percentage of GNP (9.7 percent versus 7.5 to 8.5); they would also be a higher percent of personal income (12.0 percent versus 10 to 11 percent);

- the growth in the share of social insurance taxes would be even larger than the growth in personal income taxes;
- there would be a substantial fall in the share of corporate taxes and excise taxes; together these taxes fall from 6 percent of GNP in 1966 to 4.1 percent in 1981.

In brief, a 21 percent share of revenues in GNP is slightly higher than in the past. Since the shares of corporate taxes and excise taxes will have fallen by more than social insurance taxes will have risen, some increase in the ratio of personal taxes to GNP (or personal income) must occur, unless

- we have a much larger tax reduction (and either forfeit a balanced budget or really slash expenditures), or
- we increase other taxes.

Attachments



Table 1

## Ratios of Expenditures and Taxes to GNP and Personal Income (fiscal years)

(percent)

	Expenditures	Receipts							Personal	Personal
		Total	Personal taxes	Corp. profits taxes	Social insurance taxes	Excise taxes	Others		income as share of GNP	taxes as share of personal income
1960	18.5	18.6	8.2	4.3	3.0	2.4	0.8		78.6	10.4
1970	20.5	20.2	9.4	3.4	4.7	1.6	1.0		80.8	11.7
1973	20.0	18.8	8.3	2.9	5.2	1.3	1.0		80.4	10.4
1976	22.7	18.6	8.2	2.6	5.8	1.1	1.1		81.6	10.0
1981 A	20.0	21.8	10.3 <sup>1/</sup>	3.0	6.4	1.4 <sup>1/</sup>	0.8		80.9	12.7 <sup>1/</sup>
1981 B	21.0	21.0	9.7 <sup>1/</sup>	2.7	6.4	1.4 <sup>1/</sup>	0.8		80.9	12.0 <sup>1/</sup>

1981 A: OMB projection of receipts and expenditures with no changes in tax laws and no new expenditure programs ("current policy" expenditures)

1981 B: Assumes 1981 budget is balanced at 21 percent of GNP; personal taxes are cut by \$15 billion and on corporate taxes by \$7 billion.

<sup>1/</sup> Assumes a recycling of most of the wellhead tax through income tax reductions.



Table 2  
 Ratios of Unified Federal Budget  
 Items to GNP, Fiscal Years  
 (Percent)

Year	Expenditures	Receipts						Pers. Income as a share of GNP	Pers. Income Taxes as a Share of Personal Income
		Total	Pers. Taxes	Corp. Profits Taxes	Soc. Ins. Taxes	Excise Taxes	Other <sup>1/</sup> Receipts		
1955	17.98	17.18	7.54	4.69	2.06	2.40	0.49	77.74	9.7
1956	17.15	18.14	7.83	5.08	2.27	2.42	0.54	77.99	10.0
1957	17.71	18.46	8.22	4.88	2.31	2.43	0.62	78.75	10.4
1958	18.70	18.03	7.86	4.54	2.54	2.41	0.67	79.91	9.8
1959	19.54	16.81	7.80	3.67	2.49	2.23	0.60	78.87	9.9
1960	18.51	18.56	8.18	4.31	2.95	2.35	0.78	78.63	10.4
1961	19.21	18.54	8.12	4.12	3.23	2.33	0.75	79.60	10.2
1962	19.57	18.26	8.35	3.76	3.12	2.29	0.73	78.51	10.6
1963	19.29	18.47	8.25	3.74	3.43	2.29	0.76	78.21	10.5
1964	19.24	18.23	7.90	3.81	3.57	2.23	0.77	77.58	10.2
1965	18.00	17.75	7.41	3.87	3.38	2.22	0.88	78.17	9.5
1966	18.64	18.11	7.67	4.16	3.54	1.81	0.93	77.71	9.9
1967	20.46	19.33	7.95	4.39	4.31	1.77	0.90	78.38	10.1
1968	21.54	18.51	8.28	3.45	4.17	1.70	0.91	78.67	10.5
1969	20.41	20.77	9.65	4.06	4.41	1.68	0.96	79.17	12.2
1970	20.47	20.18	9.42	3.42	4.72	1.64	0.99	80.78	11.7
1971	20.73	18.47	8.46	2.63	4.76	1.63	1.00	81.28	10.4
1972	20.87	18.77	8.52	2.89	4.85	1.39	1.11	80.63	10.6
1973	19.95	18.75	8.34	2.92	5.21	1.31	0.97	80.37	10.4
1974	19.85	19.50	8.76	2.84	5.65	1.24	1.01	81.32	10.8
1975	22.87	19.70	8.58	2.85	6.06	1.14	1.03	83.60	10.2
1976	22.73	18.61	8.16	2.57	5.75	1.05	1.08	81.55	10.0
1977	22.41 ←	19.66 -	8.75 -	2.99 -	5.93 -	.98 -	1.01 -	81.59 -	10.72 ~
1978	22.67	19.58	8.70	2.89	6.06	1.06	.87	80.87	10.75
1979	21.74	20.51	9.39	2.95	6.09	1.22	.85	80.99	11.59
1980	20.78	21.16	9.82	2.97	6.15	1.39	.83	80.91	12.14
1981	20.04	21.81	10.26	2.96	6.39	1.38	.82	80.85	12.69 <sup>2/</sup>

<sup>1/</sup> Customs duties, estate and gift taxes, and miscellaneous receipts.

<sup>2/</sup> Assumes a recycling of the well-head tax through income taxes.  
 would be 13.1 percent.

Without allowance for this, the ratio

THE WHITE HOUSE  
WASHINGTON

June 3, 1977

The Vice President  
Midge Costanza  
Stu Eizenstat  
Hamilton Jordan  
Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson

The attached is forwarded to  
you for your information.

Rick Hutcheson

Re: Taxes as a Percent of GNP.



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Robert Lipshutz  
Stu Eizenstat

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: Ethics Implementation

3



THE WHITE HOUSE  
WASHINGTON

Mr. President:

The attached constitutes  
the response from Eizenstat  
and Lipshutz to your question:  
"what can we do about openness  
in government."

A copy has been sent to Jody.

Rick

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON		KRAFT
	BOURNE		LANCE
	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE



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THE WHITE HOUSE  
WASHINGTON  
THE PRESIDENT HAS SEEN.

C  
/

May 19, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ROBERT LIPSHUTZ  
STU EIZENSTAT

*R/L*  
*Stu*

SUBJECT:

Ethics Implementation

With the introduction of your proposed Ethics in Government Act of 1977, most of the commitments made in the campaign Code of Ethics have been converted into legislative or executive action. This memorandum shows the status of the actions taken to implement your Code of Ethics. We plan to make public the fact that you have so thoroughly followed-up on the Code of Ethics in an address which Bob Lipshutz will give to the Federal Bar Association on May 26.

*I saw  
no  
press*

Code of Ethics Commitment

Implementation

1. Support sunshine law

The Government in the Sunshine Act was passed in 1976. In addition, you will issue an executive order requiring that high officials of executive agencies, who are not covered by the Sunshine Law, must log their contacts with outside persons seeking to influence policy.

2. "Broad public access  
...to government files"  
and "maximum security  
declassification...."

The Department of Justice has announced that it will only defend agencies seeking to withhold information on the basis of an FOIA exemption when a specific harm showing can be made. Justice is also drafting an executive order to the same effect. You have ordered a general review of classification policy. New executive order on that point is due in September. White House staff and Justice are studying executive privilege and will report in June.

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2

*Strong  
support*

3. Lobbying activity, with respect both to Congress and the Executive Branch should be more thoroughly revealed and controlled.

The Administration is supporting the lobbying legislation now in Congress. This bill applies mainly to Congress.
4. Break up the "sweetheart arrangement" between regulatory agencies and regulated industries; federal legislation should restrict post-federal service employment.

Your appointees to regulatory agencies have distinguished records. Your proposed Ethics in Government Act strengthens existing restrictions on contacts between a former employee and the agency for which he or she worked.
5. All major officials should be required to make complete revelation of their business and financial interests.

The Ethics in Government Act calls for complete financial disclosure by all officials ranked GS-16 and above. Your Cabinet and top White House staff members have already made such disclosure. Sub-cabinet and lower level White House staff have filed with the Counsel's office and will follow.
6. Public financing of campaign should be extended to members of Congress.

Your Election Reform Message strongly supported public financing of congressional campaigns.
7. "Absolutely no gifts of value should ever again be permitted to a public official. A report of all minor personal gifts should be made public."

The Ethics in Government Act provides for disclosure of all gifts above \$25 in value, and for all gifts, however minor, from a single source which total \$250 or more. A similar provision in the congressional lobbying legislation was supported.
8. All diplomats, federal judges and other major officials should be selected on a strict basis of merit.

You have established by executive order unprecedented merit selection commissions to recommend nominees for diplomatic posts and federal appellate judgeships.

9. "The Attorney General and all his or her assistants should be barred from any political activity." Amendments to the Hatch Act reform bill will be proposed to implement this commitment.
10. President should be more "available to news media," with "monthly or more often" press conferences. Press conferences have been held approximately twice per month.
11. "Maximum personal privacy for private citizens should be guaranteed." You supported legislation to expand protection against warrantless eavesdropping on private citizens.



## Jimmy Carter's Code of Ethics

Released March 1, 1976

The two questions I hear again and again across this country are: "Can our government be competent?" "Can our government be honest and decent and open?" I have to say that a majority of people would say, "no." This is the first time since polling was started that a majority of our people say that our national and economic status will be worse in 5 years than it is now. But we don't need to be pessimistic.

I have run the Georgia government in a tough, business-like way. As a scientist, businessman, planner and farmer, I've managed it tightly and brought about some dramatic changes in its costs, long-range planning and budgeting techniques and organizational structure. We cut administrative costs more than 50% in Georgia. We abolished 278 out of 300 agencies and departments. So, I know it is possible to run an efficient government.

We ought not to lower our standards in government. Our government in Washington ought to be an inspiration to us all and not a source of shame. I want to spell out to you a number of things that can be done:

- An all-inclusive "Sunshine Law" similar to those passed in several states, should be implemented in Washington. Meetings of federal boards, commissions and regulatory agencies must be opened to the public, along with those of Congressional committees. The only exceptions should involve narrowly defined national security issues, unproven legal accusations or knowledge that might cause serious damage to the nation's economy.

- Broad public access, consonant with the right of personal privacy, should be provided to government files. Maximum security declassification must be implemented.

- The activities of lobbyists must be more thoroughly revealed and controlled, both within Congress and the Executive Department agencies. The new lobbying law

should apply to those executive agencies and departments which are not now covered as well as to the Congress. Quarterly reports of expenditures by all lobbyists who spend more than \$250 in lobbying in any three month period should be required. The act should include any lobbying expenditures aimed at influencing legislation or executive decisions and should cover those who lobby directly, solicit others to lobby or employ lobbyists in their own behalf.

- The sweetheart arrangement between regulatory agencies and the regulated industries must be broken up, and the revolving door between them should be closed. Federal legislation should restrict the employment of any member of a regulatory agency by the industry being regulated.

- All requests for special government consideration by private or corporate interests should be made public, and decisions should be made only on the basis of merit.

- Complete revelation of all business and financial involvement of all major officials should be required, and none should be continued which constitute a possible conflict with the public interest. I have released an audit of my personal finances and will do so annually throughout my term of office. I will insist that the same requirement apply to the Vice President and to those appointed to major policy-making positions in my Administration. As President, I will seek legislation to make such disclosure mandatory.

- Everyone who serves in a position of policy-making ought to reveal to the public his or her financial holdings, where his or her riches are invested and where his or her special interests are so that no conflict with the public interest will exist.

- Public financing of campaigns should be extended to members of Congress.



— Fines for illegal campaign contributions have often been minimal. They should be at least equal to the amount of the illegal donation.

— Absolutely no gifts of value should ever again be permitted to a public official. A report of all minor personal gifts should be made public.

— All diplomats, federal judges and other major officials should be selected on a strict basis of merit.

— Independent, blue-ribbon, judicial selection commissions should be established to recommend persons considered best qualified for appointment as federal judges and prosecutors, and, as President, I will make my selection from those recommended.

— The Attorney General and all his or her assistants should be barred from any political activity. He or she should be given the full prerogatives and authority and independence that were recently given to the Special Prosecutor. The Attorney General should be appointed by the President, with the confirmation of the Senate, and should not be removed except for malfeasance.

— During the campaign and as President, I will make myself available to the news media. Press conferences will be held monthly or more often throughout my Administration.

— I will propose to the Congress that the members of my Cabinet appear regularly before both Houses, preferably in joint session, to answer questions from Senators and Repre-

sentatives. I will also request that these sessions be available for live broadcast.

— Requests to the IRS for income tax returns by anyone, from the President down, should be recorded. Access to this essentially private information should be strictly circumscribed.

— Maximum personal privacy for private citizens should be guaranteed.

— As President, I will be responsible for the conduct of the Executive Branch of Government. Errors or malfeasance will be immediately revealed, and an explanation given to the public, along with corrective action to prevent any recurrence of such actions. The same responsibility for campaign actions will be assumed by me as a candidate.

There is only one person in this nation who can speak with a clear voice, who can set a standard of morals and decency and openness, who can spell out comprehensive policies and coordinate the efforts of different departments of government, who can call on the American people for sacrifices and explain the purpose of that sacrifice and the consequences of it. *That person is the President.* The President ought to be personally responsible for everything that goes on in the Executive Branch of government, whether that be the appointment of major officials, the clear description of policy, the relationship of the Executive with Congress, the revelation of mistakes and mismanagement, if any, or violations of the law, should they occur, unfairness on the part of regulatory agencies and so forth.

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Stu Eizenstat

*Long Island  
Railroad*



THE WHITE HOUSE  
WASHINGTON

Mr. President:

Eizenstat's office concurs  
with Marshall and Adams.

Rick

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
✓	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
✓	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE  
WASHINGTON

THE PRESIDENT HAS SEEN.

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson  
Jane Frank

June 2, 1977

RE:

Long Island Rail Road Dispute

Ray Marshall has submitted a memorandum on the captioned subject which was raised at a Cabinet meeting several weeks ago.

In brief, Ray describes a pending dispute between 7,000 employees of the Long Island Rail Road, who are represented by a coalition of 14 labor organizations under 20 different agreements, and the Metropolitan Transportation Authority (MTA), a public benefit corporation which owns the railroad. The railroad has contended that economic conditions in New York prevent more than a cost-of-living increase to union employees, although non-union employees of the railroad were given a 10% increase by management in January 1977. The National Mediation Board (NMB) has attempted to mediate since September 1976, but it seems inevitable that discussions will break down, which leaves the parties free after 30 days to strike or lock out.

Ray points out that you have two options. First, under the provisions of the Railway Labor Act, you may appoint an Emergency Board to investigate the dispute and recommend terms of settlement. Doing so will require the parties to maintain the status quo for an additional 60 days, after which the Board will have 30 days to make recommendations, and the parties another 30 days to negotiate on the basis of the Board's report before they may engage in self-help.

The second option is to decide not to appoint an Emergency Board on the basis that only a single carrier is involved, in which event a strike may occur.

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Ray recommends--and Brock Adams concurs--that we pursue the second option. He notes that while it is significant, a strike on the Long Island Rail Road is not a "national emergency." To him, not invoking emergency procedures "will send up proper signals that disputing parties who have been at the National Mediation Board level and have failed to resolve their disagreements cannot expect the President to solve them...."

Brock also noted in his May 26 summary to you that:

"I have read Ray Marshall's memorandum regarding the Long Island Railroad contract negotiations. My experience has been that Congress will step in to prevent an actual railroad strike and that the parties are negotiating with this expectation in mind."

Brock advises us that he has talked to Ray about the issue.

OPTIONS:

- #1 Appoint an Emergency Board \_\_\_\_\_
- #2 Do not appoint an Emergency Board \_\_\_\_\_

✓  
JC.

THE WHITE HOUSE  
WASHINGTON

June 2, 1977

Mark Siegel

The attached is forwarded to you  
for your information.

Rick Hutcheson

Re: Long Island Rail Road Dispute.



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Hamilton Jordan -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

cc: Jim King

Re: Director National Cancer  
Institute - Arthur C. Upton



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
X	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *HJ*

SUBJECT: DIRECTOR, NATIONAL CANCER INSTITUTE  
ARTHUR C. UPTON

In the attached memorandum Secretary Califano recommends the appointment of Dr. Arthur C. Upton as Director of the National Cancer Institute.

Dr. Upton was selected as a candidate by a distinguished Search Committee. Peter Bourne and Frank Press have been consulted and agree he is well qualified for the post.

I recommend you approve Dr. Upton for appointment as Director of the National Cancer Institute.

APPROVE            ✓

DISAPPROVE           

OTHER           

*[Signature]*

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for Preservation Purposes**



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

June 1, 1977

*June*  
1977 MAY 1 PM 6 02

MEMORANDUM FOR THE PRESIDENT

I recommend that you appoint Arthur C. Upton as Director of the National Cancer Institute. Dr. Upton is currently Professor of Pathology at the State University of New York at Stony Brook.

Dr. Upton is a distinguished medical scientist and widely acknowledged authority on radiation as a cause of cancer. He served as Dean of the School of Basic Health Sciences at Stony Brook from 1970 to 1975, and was formerly Chief of the Pathology-Physiology Section of the Biology Division at the Oak Ridge National Laboratory. Dr. Upton has been a member of many scientific advisory panels, including several for the National Cancer Institute. He has also been President of the American Association for Cancer Research (1963 to 1964), the Radiation Research Society (1965 to 1966), and the American Society for Experimental Pathology (1967 to 1968).

Dr. Upton was one of two candidates recommended by a Search Committee of eight persons widely recognized for their interest in cancer research. The Committee was chaired by Dr. Ivan Bennett, Dean of the New York University Medical Center; and included Dr. Bruce Ames, Professor of Biochemistry at the University of California; Dr. Harold Amos, Professor of Microbiology at Harvard University; Dr. Mary Ellen Avery, Professor of Pediatrics at Harvard Medical School; Dr. Donald Fredrickson, Director of the National Institutes of Health; Dr. Robert Gallo, Chief of Tumor Cell Biology at the National Cancer Institute; Dr. Charles Moertel, Chairman of Oncology at the Mayo Clinic; and Mr. Benno Schmidt, Chairman of the President's Cancer Panel.

The other candidate recommended by the Committee was Dr. Arnold Brown, Professor of Pathology at the Mayo Medical School. Dr. Brown is also well-qualified for the position, but I have chosen to recommend Dr. Upton because of his more impressive scientific credentials, his greater administrative experience, and his closer association with the study of environmental carcinogens--an aspect of the Institute's research agenda which has not been sufficiently emphasized to date.



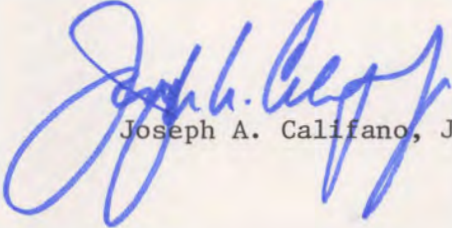
The President  
Page two

Dr. Upton comes highly recommended by many scientists around the country. He is the first choice of Senator Kennedy, and is fully acceptable to Congressman Rogers. Senators Magnuson and Talmadge and Congressman Flood have also been consulted; none of them expressed opposition. In addition, we have also talked with Dr. Peter Bourne, who supports Dr. Upton's appointment.

The highlights of his career are:

- Born in Michigan in 1923, received his B.A. from the University of Michigan in 1944 (Phi Beta Kappa), and his M.D. from the University of Michigan in 1946 (Alpha Omega Alpha).
- (Current) Professor of Pathology, State University of New York at Stony Brook.
- Dean, School of Basic Health Sciences, State University of New York at Stony Brook, 1970 to 1975.
- Chairman, Department of Pathology, State University of New York at Stony Brook, 1969 to 1970.
- Chief, Pathology-Physiology Section, Biology Division, Oak Ridge National Laboratory, 1954 to 1969.

A more detailed resume is attached.



Joseph A. Califano, Jr.

Name: ARTHUR CANFIELD UPTON

ATTACHMENT #7

Date of Birth: February 27, 1923

Place of Birth: Ann Arbor, Michigan

Married: March 1, 1946 to Elizabeth Perry

Children: Rebecca, Melissa, Bradley

Military Record: Army U. S. 1943-1946  
Capt. USAF Reserve 1955-1970

Education: B. A., University of Michigan - 1944  
M. D., University of Michigan - 1946

Positions Held:

Intern, University Hospital, Ann Arbor, Michigan, 1947  
Resident in Pathology, University of Michigan, 1948-1950  
Instructor in Pathology, University of Michigan, 1950-1951  
Pathologist, Oak Ridge National Laboratory, Biology Division, 1951-1954  
Chief, Pathology-Physiology Section, Biology Division, Oak Ridge  
National Laboratory, 1954-1969  
Professor of Pathology, State University of New York at Stony Brook,  
1969 to present  
Chairman, Department of Pathology, State University of New York at  
Stony Brook, 1969-1970  
Attending Pathologist, Medical Department, Brookhaven National Laboratory,  
1969 to present  
Dean, School of Basic Health Sciences, State University of New York at  
Stony Brook, 1970 - 1975

Honors and Awards:

Alpha Omega Alpha  
Phi Beta Kappa  
Ciba Foundation Lecturer, 1959  
E. O. Lawrence Award, 1965  
Peruvian Oncology Society, 1967

Membership in National Scientific Societies:

American Association for Advancement of Science  
American Association for Cancer Research  
American Association of Pathologists and Bacteriologists  
American Society for Experimental Pathology  
Gerontological Society  
Harvey Society  
International Academy of Pathology  
New York Pathological Society  
Peruvian Society of Oncology, Honorary Member  
Radiation Research Society  
Scientific Research Society of America (RESA)  
Society for Experimental Biology and Medicine



ARTHUR CANFIELD UPTON

Offices Held in National Scientific Societies:

American Association for Cancer Research -

Board of Directors, 1961-1964

Vice-President, 1962-1963

President, 1963-1964

Representative to National Academy of Sciences-National Research Council, 1967-1969

Representative to USA National Committee on the International Union against Cancer, 1972 -

American Society for Experimental Pathology -

Councilor, 1965

Vice-President, 1966-1967

President, 1967-1968

Radiation Research Society -

Councilor, Medicine, 1963-1964

Vice-President, 1964-1965

President, 1965-1966

Editorial Boards:

Cancer Research, 1960-1964

Radiation Research, 1961-1964

Laboratory Investigation, 1961-

Nuclear Medicine, Excerpta Medica, 1964-

International Journal of Cancer, International Union Against Cancer, 1965-1974

Proceedings of the Society for Experimental Biology and Medicine, 1965-1968

Cancer Research, Associate Editor, 1970-

Committees:

National Academy of Sciences-National Research Council, Subcommittee on Long-Term Effects of Ionizing Radiation from External Sources, 1957-1960

American Cancer Society, Advisory Committee on Research on Etiology of Cancer, 1958-1961

National Committee on Radiological Protection, Subcommittee on Relative Biological Effectiveness (M-4), 1958-1962

U. S. Air Force, Life Sciences Working Group, 1958-1960

U. S. Public Health Service, Pathology Study Section, 1958-1961

International Commission on Radiological Protection, Subcommittee on Radiation Biology, 1960-1962

International Commission on Radiological Protection, Subcommittee on Relative Biological Effectiveness, 1960-1962

U. S. Public Health Service, National Advisory Committee on Radiation, 1961-1965

National Academy of Sciences-National Research Council, Ad Hoc Advisory Committee on Radiation Pathology, Chairman, 1962-1964



ARTHUR CANFIELD UPTON

Committees: (cont'd)

- National Academy of Sciences-National Research Council, Committee on Pathology, 1962-1972
- International Commission on Radiological Protection, Committee I, the Committee on Radiation Effects, 1963; Vice-Chairman, 1965-73; Chairman, 1973-
- International Cancer Research Commission of the International Union Against Cancer, Expert Panel on Carcinogenicity, 1963
- International Commission on Radiological Protection, Committee I, Task Group on the Biological Effects of High Energy Radiations, Chairman 1963-65
- Executive Office of the President, Office of Science and Technology, NIH Study Committee Panel on Pathology, 1964
- National Academy of Sciences-National Research Council, Advisory Committee to the Federal Radiation Council, Chairman, 1964-1966; 1968-1971
- National Council for Radiation Protection and Measurements, 1965-
- International Commission on Radiological Protection, Task Group on the Radiosensitivity of Different Tissues in Relation to Radiation Protection, 1966-1968
- Federal Aviation Administration, Standing Committee for Radiation Biology Aspects of the SST, 1967-1970
- National Research Council, Division of Medical Sciences, 1967-1972; Executive Committee, 1968-1972.
- National Cancer Institute ad hoc Discussion Group on Recruitment and Training in Chemical Carcinogenesis, Chairman, 1967-1968
- American Cancer Society, Tennessee Division, Board of Directors, 1967-1969
- National Cancer Institute, Cancer Research Training Committee, 1970-1971
- National Academy of Sciences-National Research Council, NASA Life Sciences Review Program Committee, 1970
- Smithsonian Institution, Interdisciplinary Communications Program, Carcinogenesis Core Group, 1970-1973
- Steering Committee of Los Alamos Meson Physics Facilities, Subcommittee on Whole Animal Radiation Biology and Pathology, 1971-
- Argonne Universities Association Review Committee, Biological and Medical Research Division, Argonne National Laboratory, 1971-1973
- National Academy of Sciences-National Research Council, Committee on Pathology, Subcommittee on Environmental Pathology, Chairman, 1971-1972
- National Academy of Sciences-National Research Council, Advisory Committee on the Biological Effects of Ionizing Radiation, 1971-
- National Academy of Sciences-National Research Council Committee on the Biological Effects of Ionizing Radiation, Subcommittee on Somatic Effects, Chairman, 1971-
- Argonne National Laboratory, Advisory Committee for the Center on Human Radiobiology, 1972-
- Federation of American Societies for Experimental Biology, Life Sciences Research Office, Advisory Committee, 1972- ; Chairman, 1974
- National Cancer Institute, Carcinogenesis Advisory Panel, 1972-1973
- National Cancer Institute, Board of Scientific Counsellors, 1973-
- International Commission on Radiological Protection, Main Commission, 1973-

ARTHUR CANFIELD UPTON

Committees (Cont'd):

Scientific Advisory Group, U.S.-Japan Cooperative Cancer Research  
Program, 1974-

National Center for Toxicological Research, Scientific Advisory  
Board, 1974-

U.S.-Japan Radiation Effects Research Foundation, Scientific  
Council, 1975-

World Health Organization, International Agency for Research on  
Cancer, Scientific Council, 1975-

Environmental Protection Agency, Administrator's Pesticide Policy  
Advisory Committee, 1975-



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Frank Moore -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: H.R. 5025 -  
Locations of VA Hospitals



THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
X	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

THE PRESIDENT HAS SEEN.  
June 3, 1977

*Frank -  
Monitor it.  
C*

MEMORANDUM FOR: THE PRESIDENT

FROM:

Hubert L. Harris, Jr. *HLH*

You inquired about the status of H.R. 5025 which removes the authority from the President to name locations of VA hospitals and vests it with the House and Senate Veterans' Affairs Committees. It also removes your authority to authorize construction of these facilities and to determine their bed size and composition.

The bill passed the House by a vote of 373 - 19. It is now lodged in the Senate Veterans' Affairs Committee.

The Senate Committee does not support the House approach to this issue. A companion bill to H.R. 5025 could evolve this year in the Senate to address some of the non-controversial issues in the House bill, but the Senate version would not contain the objectionable features which take power away from the Executive Branch.

cc: Bert Lance  
Frank Moore

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Hugh Carter -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Travel



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

ENROLLED BILL
AGENCY REPORT
CAB DECISION
EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND

ARAGON
BOURNE
BRZEZINSKI
BUTLER
CARP
H. CARTER
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FALLOWS
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GAMMILL
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JAGODA
KING

KRAFT
LANCE
LINDER
MITCHELL
POSTON
PRESS
B. RAINWATER
SCHLESINGER
SCHNEIDERS
SCHULTZE
SIEGEL
SMITH
STRAUSS
WELLS
VOORDE

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 2, 1977

To Hugh  
J

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*  
SUBJECT: Travel (Per Your Request)

Listed below is the commercial-tourist travel approved during the month of May:

Name	Date	Destination	Purpose
Jack Watson (request not submitted until after trip)	3/31- 4/3	Atlanta, GA <i>ok</i>	Attend American Society of Public Administra- tors Annual Meeting
Lawrence Bailey (request not submitted until after trip)	3/30- 3/31	Greensboro, NC <i>doubt need</i>	Speak at A&T Univer.
Lawrence Gilson	5/4- 5/8	San Antonio, TX Seattle, WA Portland, OR <i>ok</i>	Meet with Executive Directors of Fed. Regional Councils & HEW IGR Ass't Reg. Directors, review Fed. Reg. field activities
Jack Watson	5/5- 5/8	Seattle, WA Portland, OR <i>ok</i>	Review Fed. Reg. field activities and their relationship to state & local gov't
Barry Jagoda	5/9- 5/12	Los Angeles, CA <i>ok</i>	TV arrangements for President's trip
Bill Heckman	5/9- 5/12	Fresno, CA <i>ok</i>	Advance for President's trip
Maria leGrand	5/10- 5/17 *	Los Angeles, CA <i>ok</i>	"
Edward C. Maddox	5/10- 5/17 *	Los Angeles, CA <i>ok</i>	"
Judy Deich	5/10- 5/17 *	Los Angeles, CA <i>ok</i>	Press advance for President's trip

*may be too many & too long(\*)*

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-2-

Dale Leibach	5/10- 5/17	* Los Angeles, CA <i>ok</i>	Press Advance for President's trip
Mary Hanley	5/10- 5/17	* Fresno, CA <i>ok</i>	"
Jack Watson	5/10- 5/11	Boston, MA <i>ok</i>	Meeting with Fed. regional reps. includin survey of FRCs, Titles 5 & 2 Commissions
Bob Lipshutz	5/15	Ellenville, NY <i>Official ?</i>	Address Canadian B'nai B'rith Conven.
Lee Sheehy	5/17- 5/22	South Bend, IN <i>ok</i>	Advance trip for P.'s trip to Notre Dame
Ellis Woodward	5/17- 5/22	" <i>ok</i>	"
John E. Sullivan	5/21- 5/25	Nashville, TN <i>ok</i>	Advance 1st Lady's trip to Tennessee
Ann Anderson	5/21- 5/25	"	Press advance for 1st Lady's trip to Tenn.
David Aaron	5/22	Return from <i>ok</i> Vienna, Austria	Return from VP's trip to attend vital NSC meetings
Barry Jagoda	5/14	Los Angeles, CA <i>ok</i>	Finalize P.'s trip to California (one-way only)
James Parham	5/15- 5/16	Chicago, IL Indianapolis, IN <i>ok</i>	Address Gen. Session 104th Annual Forum of Nat'l Conf. on Social Welfare & review cities and schools projects
Carol Ann Rambo	5/17- 5/22	South Bend, IN <i>6 days ?!!</i>	Press Advance for Notre Dame speech
Maria leGrand	5/20- 5/24	Philadelphia, PA <i>5 days ?!!</i>	First Lady Advance
Edward Maddox	5/20- 5/24	St. Simons, GA	Advance for P.'s trip
Dan Lee	5/31	Return to D.C.	Return on Press Plane from Plains, GA



Ruth Berry	5/23- 5/31	Titusville, FL	Press Advance for P. submarine ride
Greg Schneiders	5/24- 5/25	New Orleans, LA	Address energy seminar for consumers
Bruce Kirschenbaum	6/11- 6/15	Tucson, AZ	Attend annual mtg. U.S. Conference of Mayors

Listed below is travel disapproved during the month of May:

Anne Edwards	5/11	Los Angeles, CA	TV arrangements for California trip
James Schlesinger	5/24	New York, NY	Receive National Father of the Year Award

*Hugh - These advance operations  
are too lengthy & often  
too many people. Let me  
know SOP JC*

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Gretchen Poston

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

cc: Evan Dobelle  
Z. Brzezinski

Re: State Dinner - Italy

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
X	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



THE WHITE HOUSE  
WASHINGTON

June 3, 1977


MEMORANDUM FOR: THE PRESIDENT

FROM: GRETCHEN POSTON

SUBJECT: STATE DINNER - ITALY

It is fine with me if we have a state dinner in July  
for President Andreotti of Italy.

May we begin arrangements?

Approved  \_\_\_\_\_

Disapproved \_\_\_\_\_

THE WHITE HOUSE  
WASHINGTON

June 1, 1977

Gretchen Poston

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Visit of Italian Prime Minister  
Giulio Andreotti - July 26-27

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
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<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input checked="" type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input checked="" type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE



THE WHITE HOUSE  
WASHINGTON

Mr. President:

Brzezinski concurs with  
Evan.

Rick

\*\*Schmidt's visit is an 'official'  
one, not 'state', but it will  
involve a black-tie dinner, the  
13th of July.

The Andreotti dinner would be the  
26th of July (not just the follow-  
ing week). I strongly recommend a  
black-tie dinner for Andreotti as  
well, for Dobelle's reason # 2.

TK

THE CHIEF OF PROTOCOL  
DEPARTMENT OF STATE  
WASHINGTON

May 26, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

SUBJECT Visit of Italian Prime Minister  
Giulio Andreotti - July 26-27, 1977

It has come to my attention the intent of the White House to offer a "working" dinner for Prime Minister Andreotti.

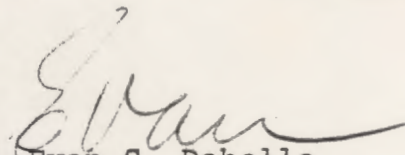
Those who joined you at the Summit in London have all been given full dinners (Callaghan, Trudeau, Schmidt /scheduled/), except for Fukuda who, to my understanding, asked for "working" and Giscard d'Estaing who is not coming.

I wish to make one protocol point and raise a political consideration in an effort to have the Andreotti dinner be a full-scale function rather than a "working" one.

(1) There will be inevitable comparisons made between Italy and Germany. The Italian Ambassador paid a personal call on me last week and strongly expressed a desire to have equal treatment as accorded Chancellor Schmidt.

(2) I believe it is a good opportunity to include the U.S. Italo-American community in a full-scale White House affair--one I believe they would be most grateful of for their inclusion.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

  
Evan S. Dobelle

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for Preservation Purposes

*What does  
Greider say - ?  
Any problems?  
J*

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Tim Kraft

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Six-Week Time Study  
(April 18-May 29, 1977)



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

9  
1

June 2, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: TIM KRAFT

SUBJECT: Six-Week Time Study (April 18-  
May 29, 1977)

Use of your office working time for the third six weeks is summarized by the chart attached at Tab A.\* Included at Tab B are abstracts for each of the six weeks.

Several trends noticed in the first 12 weeks have continued during this period. The average work week was again in excess of 70 hours, despite efforts to reduce unnecessary paperwork and ceremonial demands. The schedule continued to include heavy emphasis on foreign visitors (e.g., Jenkins, Soares, Khaddam, Hussein, Suarez, Fahd) and foreign policy issues (SALT, Korea, Cuba, NATO, Downing St. Summit, Middle East, intelligence, arms transfers, PRM-10.)

Although private working time at the office continues to account for some 30 hours per week, access to the President by Cabinet members and other Executive Branch officials continues to be high, averaging nearly 10 hours per week. Staff access remains fairly widely disbursed among 8-10 persons. (See Tab C.) Media access has been good, averaging almost two hours per week over the last two six-week periods.

\*Over this period, a total of 1.5 working weeks was spent on out-of-town travel (Europe, California, St. Simons.) As a result, projected times (and deviations) are based on 4.5 weeks.

Time spent with members of Congress has improved substantially over the last six weeks, but still remains below projected norms. More attention could also be paid to meetings with governors, mayors and Democratic party officials. Time spent in the latter categories has dropped from 15 hours in the first six weeks to an average of 4-5 hours over the last two six-week periods.

*Don't  
worry  
about  
this*

"Add-ons", appointments added to the schedule within 48 hours of the meeting, accounted for almost 10% of your total work week. Cabinet officers are the principal 'offenders' in this category. We are requesting that they plan at least far enough ahead to request an appointment by Wednesday of the week before the desired time. We're trying to convince them that any appointment allowed for in the same week (of the request) should be nothing less than an emergency, to justify trying to crowd it in.



SIX WEEK SUMMARY  
(Third six weeks - 4/18-5/29/77)

<u>CATEGORY</u>	<u>PROJECTED TIME*</u> <u>6-Week Total</u>	<u>ACTUAL HOURS*</u> <u>3rd 6-Weeks</u>	<u>DEVIATION</u> <u>(Hours)</u>	<u>DEVIATION</u> <u>(%)</u>
Senior White House Staff (including OMB, CEA, NSC, Energy & V.P.)	30.4	34.00	+ 3.60	+ 11.8%
Cabinet & Executive Branch	33.8	44.58	+10.78	+ 31.9%
Members of Congress	33.8	26.83	- 6.97	- 20.6%
Foreign Visitors	9.0	20.08	+11.08	+123.1%
Brzezinski Briefings	6.8	5.91	- 0.89	- 13.1%
Powell Briefings	6.8	5.41	- 1.39	- 20.4%
Governors, Mayors, Local Officials	4.5	2.00	- 2.50	- 55.6%
Other Political Leaders	4.5	3.00	- 1.50	- 33.3%
Special Interest Groups	4.5	5.33	+ 0.83	+ 18.4%
Press Conferences/ Interviews	4.5	10.58	+ 6.08	+135.1%
Special Preparation	4.5	6.83	+ 2.33	+ 51.8%
People/Ceremonial Activities/Other	6.8	6.08	- 0.72	- 10.6%
Private Working Time (Oval Office)	84.4	139.75	+55.37	+ 65.6%
Private Lunches	13.5	5.33	- 8.17	- 60.5
 WEEKLY TOTALS	 247.50*	 315.75*	 +68.25	 + 27.6%

\*Based on 4.5 working weeks @ 55 hours per week. Does not include travel in Europe, California, and Georgia.



Revised 4/27/77	MONDAY April 18, 1977 WASHINGTON, D.C.	TUESDAY April 19, 1977 WASHINGTON, D.C.	WEDNESDAY April 20, 1977 WASHINGTON, D.C.	THURSDAY April 21, 1977 WASHINGTON, D.C.	FRIDAY April 22, 1977 WASHINGTON, D.C.	SATURDAY April 23, 1977 WASHINGTON, D.C.	SUNDAY April 24, 1977 WASHINGTON, D.C.
7:30	Brzezinski (5)	Brzezinski (5)					
8:00	Jordan Moore (15)	Jordan Moore (15) breakfast meeting w/ Democratic Cong. leaders (75)	Brzezinski (5)	Brzezinski (10)	Brzezinski (10)		breakfast w/famill
8:30	White House senior staff meeting (15)		Moore (15)	Moore (20)	Jordan Moore (20)		
9:00	Sec. Kreps (5) Cabinet Meeting (120)	S. Sinardi, Pres. Int'l Firefighters Assoc., Tampa, Fla. et.al. (5) Lance (10)	Rep. Dingell Moore (15)	Moore Brzezinski Eizenstat (20) Schirmer Tuchman H. Moore & school classmates Powell (15) Granum	Jordan Tate	Brzezinski (20)	
9:30					Schlesinger (25) Brzezinski (25) Powell (25) Schecter (25) Press Conference #6 (45)	mtg. re: SALT w/: VP Mondale Sec. Vance Sec. Brown (110) P. Warne Brzezinski	First Baptist Church Sunday School & worship services w/First Lady & Am
10:00		mtg. re: energy matters (35)	Schultze (30)	Dem. Cong. delegation from Western States (60)			
10:30			Powell (5)				
11:00	Schlesinger (10) Fallows (10) Powell (20) Granum (20) P. Caddell (5) R. Jenkins et. al. European Communi- ties Commission (55)	Powell (15) Granum (15) W. McNamee (15) Sen. Muskie Rep. Claiborne (10) VP Mondale Moore VP Mondale Adm. Turner (55) Brzezinski	briefing for mem- bers of the Cabinet (20) Alm (15) Pope Shenouda III et. al. (20)	Powell (5) PH A. SOFAT (PORTUGAL) (30) et. al.	Sen. Eagleton Sen. Sarbanes Rep. Brademas VP Mondale (30) Free		
11:30						VP Mondale Jordan (10)	
12:00			lunch w/ family		mtg. w/Deputy PM Khaddan et.al. (SYRIA) (55) lunch w/: J. Gardner (25) First Lady	tennis w/ Jordan	
12:30	lunch w/ V.P. Mondale (40)			lunch w/ Lance (40)	J. Gardner (20) Jordan (10) Bourne (10)		lunch w/ family
1:00							
1:30	mtg. re: farm policy w/: Sec. Bergland H. Hjort (20) V.P. Mondale Eizenstat Daft Moore Watson Jordan (10)	Butler (5) mtg. w/ R. Georgine, AFL-CIO & other union leaders (15)		mtg. w/ reps. of the American Society of Assoc. Executi- tives (15) swearing-in ceremony S. Bernas M. Pertschuk A. Weaver (15) H. Williams	VP Mondale Bell (15) Schultze (15)		
2:00					Jordan (20) A. Kahn (15)	lunch w/ family	
2:30		Sen. McGovern Sen. Abourezk Moore (35) Pastor		Jordan (10) Brzezinski (10)	VP Mondale Ada. Turner (35) Brzezinski		
3:00					interview w/: reps. of Newsweek Powell (45) T. DeFrank (40) M. Elfin (40) E. Clift (40)		
3:30					Woodworth (10) Moore (5) Sen. Long Woodworth (30) B. Shapiro Moore Tate Moore (5)		
4:00	preparation for Energy Address w/Eizenstat (40)			school students w/ Close-up (10)	Jordan Kraft (25)		
4:30		tennis w/Jordan		tennis w/ Jordan			tennis
5:00	preparation for Energy Address (35)		Powell (10)		First Lady (15) Amy Carter (10) J. Hall (10) R. Stahl (10) L. Levy (10) tennis w/ Jordan	tennis w/: First First Lady Chip and Caron	JFK Center/dedica- tion of African R
5:30							
6:00			preparation for Address to Joint Session of Cong. (40)				
6:30	dinner w/family preparation for Energy Address Energy Address to the Nation	dinner w/ family mtg. to discuss energy (25)	dinner w/ family Address to Joint Session of Cong. (70)	dinner w/ family	dinner w/First Lady Movie "Nashville" w/First Lady	dinner w/ Family	dinner residence of Rev. & Mrs. Trentham



	MONDAY April 25, 1977 WASHINGTON, D.C.	TUESDAY April 26, 1977 WASHINGTON, D.C.	WEDNESDAY April 27, 1977 WASHINGTON, D.C.	THURSDAY April 28, 1977 WASHINGTON, D.C.	FRIDAY April 29, 1977 WASHINGTON, D.C.	SATURDAY April 30, 1977 WASHINGTON, D.C.	SUNDAY May 1, 1977 WASHINGTON, D.C.
7:30	Brzezinski (10)						
8:00	Jordan Moore (5) Cabinet Meeting (125)	Moore (5) Brzezinski (10)	Eizenstat (5) Brzezinski (10)	Brzezinski (10)	Brzezinski (10)		
8:30			Lipshutz (5) Moore (25) Jordan (25) Rep. Ashley (5)	Jordan Moore (15)	Jordan Moore (20)	bkfst w/: First Lady R. Stapleton	
9:00		Jordan (10)	Rep. Ashley Sen. Glenn Sen. Metzenbaum (30) Sen. Ruddleston Sen. Ford Rep. Harsha Moore Jordan (10) Powell (5)	White House senior staff meeting (25)	mtg. re: civil aviation (25) A. Boyd (30)	Brzezinski (15)	
9:30						mtg. re: welfare reform (165)	
10:00	Powell (10)	Powell Granum (15)	Powell (20) Moore (5) Lance (5)	Granum (25) Schecter	Lance (25)		First Baptist Church/Sunday School & worship services w/ First Lady Amy Carter
10:30	photo w/First Lady (5) arrival ceremony King Hussein I (25) (JORDAN)	King Hussein I et. al. (75)		Members of Congress from Southern (60) states & delegates	Powell (15) Granum (15)		
11:00	mtg. w/ King Hussein I et.al.		Moore (5)				
11:30			V.P. Mondale (5) Adm. Turner (40) R. Tate (20) Brzezinski (40)		A. Suarez (SPAIN) A. Hervas (30)		
12:00		A. Seckinger (15)	photo w/Sec. Blumenthal (5) Sec. Blumenthal Lance A. Burns (60) Schultze (lunch)		mtg. w/ PM Suarez et.al. (45)		
12:30	Eizenstat Powell (10) press statement re: health care costs (5)	Cong. Bevill (50) (lunch) Moore (50) Free (7)		Jordan (5) Amb.-designate & Mrs. P. Alston (5) Capital Hilton Hotel DNC Finance Council luncheon (60)	signing copy for ltr. to Congress re: energy legis. (15) Costanza & parents (5) QSA w/radio & T.V. news directors (45)	V.P. Mondale Brzezinski (10)	
1:00	lunch w/ V.P. Mondale (50)		Sec. Blumenthal (70)				
1:30		Gov. Boren Schlesinger (30) Watson				tennis w/Jordan	
2:00	Powell (5) Brzezinski (5)		reps. of Nat'l Educ. Assoc. (35) R. Ryer et.al.		mtg. w/Archbishop Iakovos et.al. (20)		
2:30	Interview w/ Powell (10) The Times (40) Le Monde (40) La Stampa (40) Die Welt (40) Schecter (40) R. McKinney (15)	Mayor Bradley Watson (25) N. Emerson	Moore (5) Brzezinski (5) Sec. Califano (20) Sec. Brown (20) National Security Council mtg. (85)	National Bankers Association reps. (25) Schlesinger (30) Jordan (10) Schultze (30) Nordhaus (20) Granley (20)	W. Cable Moore (5) Turner C. Cook (30) Brzezinski Sec. Vance Brzezinski (35)		
3:30		barber shop					tennis w/Jordan
4:00	Schlesinger (30) Sen. Ribicoff (15)			Travis Britt & family (10)			
4:30	tennis w/: Jordan C. Hicks J. Bishop	mtg. re: welfare reform/Sec. Califano et.al. (70)			tennis w/ First Lady		
5:00		M/Mrs. D. Gambrell First Lady (5)	tennis w/: Jordan Lance Brzezinski		tennis w/ Jordan		
5:30		mtg. re: welfare reform--continued					
6:00							
6:30	working dinner/ King Hussein I et. al. (165)	dinner w/: First Lady Amy Carter C. Hicks J. Bishop movie: "Chinatown" w/family & guests	dinner w/family	dinner w/family movie "Blazing Saddles" w/family	dinner w/family	dinner w/family Washington Hilton Hotel/ WH Corres. Association Dinner w/First Lady	mtg. re: welfare reform (150)

MONDAY May 2, 1977 WASHINGTON, D.C.	TUESDAY May 3, 1977 WASHINGTON, D.C.	WEDNESDAY May 4, 1977 WASHINGTON, D.C.	THURSDAY May 5, 1977 WASHINGTON, D.C.	FRIDAY	SATURDAY	SUNDAY
7:30 Brzezinski (5)	B. Shogan LA Times throughout day. Brzezinski (10)					
8:00 Moore (20) Jordan (15) briefing re: 1979 Budget, Sec. (20) Blumenthal et.al.	Jordan Moore (10) breakfast mtg. w/ Democratic Cong. leaders (95)	Brzezinski (10)	Jordan Schlesinger (5) Brzezinski (5)			
8:30 mtg. re: 1979 Budget of U.S. w/ Mrs. of Cong & Cabinet (135)		Jordan Moore (10) Rep. Ashley & Select Comm. on Energy (45)	Moore (15) Powell (10) Mrs. Powell (5) M/Mrs. E. Jared (5)			
9:00			Departure crmny/			
9:30	mtg. re: noise abatement w/ Sec. Adams, et.al. (45)	H. Carter (5) Powell Granum (20)				
10:00						
10:30	Powell Granum (20)	Jeff Carter (5)				
11:00 Sec. Califano Sen. Long (20) Rep. Ullman		Brzezinski (10)				
11:30 Brzezinski Powell (5) Schecter Jagoda	CBS Executives W. Yetnikoff, et.al. (5) Jordan (5) VP Mondale Adm. Turner (40) Brzezinski Eisenstat (5) Jordan (5)	mtg/re: social security (30)				
12:00 taped interview for foreign television (45)	lunch w/ family	lunch w/ First Lady				
12:30 C. Peppard (5)						
1:00 WH staff picnic (10) lunch w/ V.P. Mondale (35)		Jordan (5) Lance (15)				
1:30	B. Armstrong (5) D. Tucker (15) J. Fortson (10)	photo w/ Amb. S. (10) Lewis NSC staff (15)				
2:00 Sec. Califano (10) Powell press statement & q & a session re: welfare reform (25)	Jordan (5) mtg. re: sugar industry w/ Latin American Amb. (30) L. Woodcock (10) Schlesinger (15)	Brzezinski (5) Lipshutz (15)				
2:30						
3:00						
3:30						
4:00						
4:30 Chip Carter (10) swearing-in ceremony Amb. P. Alston (5)	B. Shogan (55) Powell (40)					
5:00						
5:30	H. Carter (5) tennis w/ Jordan, Brzezinski Clough	V.P. Mondale (5) Brzezinski (10)				
6:00 Gov. G. Busbee Lt. Gov. Z. Miller (10) Powell (5)		dinner w/ family				
6:30 dinner w/ family, C. Kirbo, Mr. & Mrs. W. Coleman Kirbo (60)	dinner w/ Family		9:55 p.m. EST LONDON, ENGLAND			



	MONDAY May 9, 1977 LONDON, ENGLAND	TUESDAY May 10, 1977 LONDON, ENGLAND	WEDNESDAY May 11, 1977 WASHINGTON, D.C.	THURSDAY May 12, 1977 WASHINGTON, D.C.	FRIDAY May 13, 1977 WASHINGTON, D.C.	SATURDAY May 14, 1977 CAMP DAVID, MD.	SUNDAY May 15, 1977 CAMP DAVID, MD.
7:30							
8:00				Brzezinski (10) Lipshutz (5) Jordan (5) Moore (15)	Brzezinski (5) Brzezinski (5)		
8:30			V.P. Mondale (40) Brzezinski (15)	WH senior staff meeting (20)	Moore (30) Jordan (20)		
9:00				briefing Mbrs. of Cong. re: (70) European trip			
9:30			V.P. Mondale (5)		signing crmny/: H.R. 11, Public Works Jobs & H.R. 4876, Econ. Stimulus (15)		
10:00			Eizenstat (30)	First Lady (5) mtg re: intelligence legislation Rep. O'Neill, (20) et. al.	photo w/Mayor G. Moore (5) mtg w/ Senate Select Comm. on Intelligence (60) swearing-in crmny A. Campbell, CSC L. Castillo, Iowa Naturalization G. Olivarez, CSA (20) J. Solomon, CSA		
10:30			Brzezinski (10)	mtg re: arms transfers w/ selected (35) Senators Brzezinski (5)	Powell Granum (20)		Weller's United Methodist Church worship services w/Amy, Chip & Carol
11:00				A. Miller, UNW et. al. (15)	Amb. R. Coheen Brzezinski (15) Southern Baptist Convention (15) lunch w/First Lady (50)		
11:30			Jordan (10) Moore (10) V.P. Mondale (20) Jordan (20)	K. Mahn (15) R. Bush (5) J. Pollard (5) lunch w/Lance (50)			
12:00			lunch w/family				
12:30							
1:00							
1:30					dipl. credentials crmny/: Amb.-des Gabon (CHAD) Amb.-des. Madfa (UNITD ARAB EMIRATES) Amb. des. KIM (45) (KOREA) Amb.-des. Panupont (THAILAND)		
2:00				Brzezinski (5) Powell (25) Schacter (5) Jeff Carter (5) Eizenstat (20) L. Brown (10) press conference #7	A. Duran H. Abrams S. Bendixen (30) C. Pedeway Jordan Sec. Brown (95) V.P. Mondale (85) Brzezinski (80) Aaron (85) Byland (80) Powell (5) Jordan (80)		
2:30	GENEVA, SWITZERLAND		Lipshutz (10)	Fed. Exec. Institute Alumnia (5)			
3:00			V.P. Mondale (5)				
3:30				Brzezinski (5) Adm. Turner (30) Brzezinski			
4:00				Schultze (20)			
4:30				A.C. Bell (10)			
5:00			tennis w/Lance	Brzezinski (10) Diplomatic children's party (10)	CAMP DAVID, MD.		
5:30				tennis w/Jordan			
6:00				dinner w/family			
6:30			dinner w/family J.F. Kennedy Center Benefit "The Barber of Seville" w/First Lady				
	LONDON, ENGLAND	WASHINGTON, D.C.					WASHINGTON, D.C.

	MONDAY May 16, 1977 WASHINGTON, D.C.	TUESDAY May 17, 1977 WASHINGTON, D.C.	WEDNESDAY May 18, 1977 AIR FORCE ONE WASHINGTON, D.C.	THURSDAY May 19, 1977 WASHINGTON, D.C.	FRIDAY May 20, 1977 WASHINGTON, D.C.	SAURDAY May 21, 1977 WASHINGTON, D.C.	SUNDAY May 22, 1977 WASHINGTON, D.C.
7:30				Brzezinski (10)			
8:00	Brzezinski (10)			Moore (15) Cabel (15) Democratic Cong. Idrship brkfr. (65)	Brzezinski (5)	breakfast w/First Lady	
8:30	Moore (15) Jordan (10) White House senior staff meeting (20)		Brzezinski (20)		Moore (30) Jordan (30)		
9:00	Jordan Kraft (5) Cabinet meeting (140)		Jordan (15) Moore (15)	mtg. w/ Rep. Corman re: voter regis., et.al. (25)	Mitchell (15)	Brzezinski (5)	
9:30		LOS ANGELES, CALIF.	crmy. to announce proposal for a foreign surveillance act (15)	mtg. w/Mbrs of Cong from Northeast & Midwest (60)	Powell (15) Granum (15)	W.Christopher P. Habib Sec. Brown (75) Gen. G. Brown Brzezinski R. Holbrooke	
10:00			mtg. re: SALT w/ Senators (80)		Brzezinski (5) Sec. Brown Brzezinski (30)		First Baptist Church/worship services & Sunday School w/ First Lady Amy Carter
10:30				grtd. mbrs. of the former mbrs. of Cong. Auxiliary (5)	mtg. w/ Senators re: TVA (35)		
11:00				Brzezinski (5) Granum (25) Schechter	Brzezinski (15)		
11:30	T. Rutherford P. Woessner (5) Powell (10) Granum (5) Adm. S. Turner (25) Brzezinski		AG Bell (15)		E. Bailey (5) Adm. Turner (30) Brzezinski (15) Rep. N. Stenger & W. VA. Straw berry Queen (5) W. Perkins C. Perkins (10) Scouten	Caron Carter (10) First Lady (5)	
12:00	lunch w/Jordan WH Mess		crmy to present Federal Incentive Award/L. Guzik (10) C.C. Ingram (15) departing USSS agent Taylor (5) Kaiser	S. MacLaine et.al. (5) lunch w/Sec. Blumenthal, Burns, & Schultze (60)	Powell (15) Q & A session w/ editors & news directors (30)	Powell Jordan (5) swimming w: First Lady Amy Carter Claudia Sanchez	
12:30			luncheon mtg. w/ Deputy Secy. C. Duncan & JCS (60)	briefing re: Pres. Review Memo 10 (85)			
1:00							SOUTH BEND, INDIANA
1:30	M. Wells (25)		Powell (15) Granum		T. Scanton B. Brock (5) mtg. re: federal regional presence (40)		
2:00	Lance (10)		mtg. w/ reps. of the Legal Defense Fund (15) mtg. re: tax reforms w/Sec. Blumenthal et.al. (140)			Sec. Brown (30) Maj. Gen. J. Sinlaub (25)	Commencement Address, Notre Dame University
2:30	diplomatic credentials crmy/:			K. Curtis (20)	far. Pres. C. Ford (65)		
3:00	Amb.-des. Lewis (PANAMA) Amb.-des. Escobar (PARAGUAY) Amb.-des. Sole (SOUTH AFRICA) Amb.-des. Jackman (BARBADOS)	FRESNO, CALIFORNIA		mtg. w/ reps. of P's comte. HIRE (20) Amb. Brewster Brzezinski (15) Brzezinski (5) R. Strauss Eizenstat (10)			
3:30	mtg. w/Coalition for a Fair Min. Wage (25)				Sec. Blumenthal (30)		
4:00	mtg. re: Reorganization advisory Group & dept. reorganiz. (65)				Powell (10)		
4:30		REEDLEY, CALIFORNIA	C. Kirbo (45)				
5:00	Eizenstat Powell Butler (15) Fallows Siegel Nesmith Hertzberg tennis w/Jordan						
6:00							
6:30	dinner w/family		dinner w/family & C. Kirbo K. Smith	dinner w/ family & Sen./Mrs. Jackson & family	dinner w/family	dinner w/family Movies: "Island of Allah" & "Harbie Rides Again" w/ family	WASHINGTON, D.C.



	MONDAY May 23, 1977 WASHINGTON, D.C.	TUESDAY May 24, 1977 WASHINGTON, D.C.	WEDNESDAY May 25, 1977 WASHINGTON, D.C.	THURSDAY May 26, 1977 WASHINGTON, D.C.	FRIDAY May 27, 1977 ST. SIMONS ISL., GA.	SATURDAY May 28, 1977 ST. SIMONS ISL., GA.	SUNDAY May 29, 1977 ST. SIMONS ISL., GA.
7:30							
8:00	Brzezinski (5)				BRUNSWICK, GEORGIA		
8:30	Jordan Powell (10)	Brzezinski (10)	Brzezinski (10)	Brzezinski (5)	CAPE CANAVERAL, FLA.	BLACKBEARD ISL., GA.	
9:00	White House senior staff meeting (20)	Jordan (15) Moore (15) VP Mondale Aaron Clift (35) Brzezinski	Jordan (25) Moore	Jordan (15) Moore			
9:30	Cabinet meeting (110)	Powell (10) Cranum Rev. N. Price (5) Schlesinger (5)	interview w/H. Shapiro NY Times Book Review (5)				
10:00		arrival army for Prince Fahd (SAUDI ARABIA) (35)	Prince Fahd (70) I. Sabbagh	Brzezinski (20) Powell (20) Schechter (20) Elzenstat (15) Cutter (5) Mcomber (5)			
10:30	Atty. Gen. Bell Lipshutz (5)	mtg. w/Prince Fahd, et.al. (95)		Press Conf. #8 (40)			
11:00	Powell Cranum (10) Jordan		mtg. w/Prince Fahd et.al. (10)	B. Alexander H/Mrs. B. King (5) H/Mrs. L. Whitlock			
11:30	signing army/HR 347 Tax Reduction Simplification & (15) S. 1279, Community Emergency Drought Relief		Q&A w/mbrs. of press (5) mtg. w/Tenn. Cong. delegation re: explosives plants centrifuge fity. (35)	Amb. W. Sullivan (15) Brzezinski (40) Ada. Turner (35) Adm. D. Murphy (15) Schlesinger (5)			
12:00	watched "Issues & Answers" w/ H. Begin (ISRAEL) (30) First Lady B. Sugarman (5)		Moore (10) Powell (5) Cranum (5)				
12:30	Lunch w/First Lady	Jordan (5)	Mondale (10) Lance mtg. re: 1979 Budget et.al. (100)	First Lady (10) S. Roel Garcia (5) (MEXICO) Mrs. S. Roel Garcia Sec. Vance (5)			
1:00	zero-based budgeting reps. (10) tour Lance's office	C. Blitzer (10) Cmty to present Small Business Award to L. Comer (15)		signing army. for Protocol I (20)			
1:30							
2:00	interview w/ U.S. News & W.R. (50)	Lance (20)					
2:30		Amb. Mansfield M. Oksenberg (15) Brzezinski					
3:00		mtg. re: undocumented aliens (75)	Mondale (10) Amb. M. Toon (20) Brzezinski (20)				
3:30			taped audio-video neg. for Sen. RHH 66th bday (10)	BRUNSWICK, GEORGIA			
4:00	M. Hobeelman B. Ross (5) M. Chamberlain						
4:30	Cutter (10) McIntyre (10) Schultze (20)		Brzezinski	ST. SIMONS ISLAND, GEORGIA			
5:00	mtg. re: water projects w/ Mbrs. of Cong. First Lady (5)	tennis courts	Lipshutz (15)				
5:30	reptn/Corporate Fund for the Performing Arts (30) at JFK Center						
6:00		swimming pool w/Amy					
6:30	dinner w/family & Rev. N. Price Sheraton Park/ WH Conf. on the Handicapped	working dinner for Prince Fahd (185)	dinner w/Amy Senate & House Dem. Fundraising dnr. Wash. Hilton (30)	BRUNSWICK, GEORGIA ST. SIMONS ISL., GA.			



Average Weekly Meeting Time with the President\*

	<u>1st Six Weeks</u>	<u>2nd Six Weeks</u>	<u>3rd Six Weeks</u>
Brzezinski	5.2	4.6	5.1
Mondale	3.3	5.2	3.3
Jordan	3.1	2.7	2.5
Powell	2.5	2.7	2.2
Moore	1.8	2.7	2.4
Lance	2.2	1.5	1.0
Eizenstat	1.7	1.8	1.1
Schultze	.4	1.6	.9
Schlesinger	.3	1.0	.6
Watson	1.0	.7	.4
Lipshutz	.5	.2	.2
Costanza	.2	.1	.1
Total	<hr/> 22.2	<hr/> 24.8	<hr/> 19.8

\*Average based on 4.5 week sample (excluding time in Europe, California and Georgia.) Also does not include large group meetings such as Cabinet, Senior Staff or Congressional Leadership meetings, or social activities.

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Stu Eizenstat

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

Rick Hutcheson

Re: Swimming Pool

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 31, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Swimming Pool

I would like to ask for permission to use the swimming pool from time to time, when you and your family are not using it. I find swimming very helpful to my slipped disc, and it will provide some needed physical exercise.

Please advise me as to whether this would be possible and, if so, the procedure that should be followed. I would like to avoid the necessity of bothering you on each occasion with a specific request.

*ok - Let Susan know.  
Don't use late in  
afternoon when I'm  
here - unless you ck  
me - J.C.*

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 31, 1977

MEMORANDUM FOR:

THE PRESIDENT

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*ok - Let Susan know.  
Don't use late in  
afternoon when I'm  
here - unless you ck  
me - J.C.*

Electrostatic Copy Made  
for Preservation Purposes



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Jim Fallows -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: The Protestant Ethic



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON		KRAFT
	BOURNE		LANCE
	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

THE PRESIDENT HAS SEEN.

*Follows  
J*

The Protestant Ethic

The first major threat to individual freedom lies in the replacement of what sociologists call the Protestant ethic, which prevailed in this country until the turn of the century, by the Freudian ethic. The Protestant and Freudian ethics stand for two opposite concepts of man. The first sees him shaping his own destiny, being governed by standards he sets himself and by his own conscience, therefore responsible for his own acts. It is the spiritual foundation of democracy. The second sees man ruled by unconscious drives and external pressures, hence not really responsible for his acts. His life is shaped not by himself but by his socioeconomic environment; if he becomes a failure or a criminal, not he but society is to blame.

American egalitarianism reinforces this caricature of Freud's concepts. Mediocrity excuses itself as the normal and healthy state of mankind. The uncommon man who excels thus becomes a sort of unnatural freak. Conformity to the environment in which one happens to find oneself becomes the safe and approved aim. That this shrivels individual autonomy is a fact not always immediately perceived.

*Max Weber*

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Stu Eizenstat -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Coordination of Economic  
Announcements



**Electrostatic Copy Made  
for Preservation Purposes**

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR

THE SECRETARY OF THE TREASURY  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF LABOR  
DIRECTOR, OFFICE OF MANAGEMENT  
AND BUDGET  
CHAIRMAN, COUNCIL OF ECONOMIC  
ADVISERS  
THE SECRETARY TO THE CABINET  
ASSISTANT TO THE PRESIDENT FOR  
DOMESTIC AFFAIRS AND POLICY

*Stu -  
Inform them  
verbally.  
Leave some  
flexibility  
J*

It is important that, in their public statements, members of the Administration take coordinated and consistent positions on matters of economic policy. I also want to make certain that those positions are based on the latest available economic data and projections.

Toward those ends, I request that:

- 1) Prior to your announcing any significant economic policy initiative or commitment, you provide advance copies (or other notification) to your colleagues listed above.

Any disagreements over the proposed announcement can be referred to me.

- 2) Prior to your release of any significant economic forecast, you provide similar advance notification.

Proposed legislation and Congressional testimony should continue to be cleared through OMB, in accordance with the normal procedure.

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

*Stu*

SUBJECT:

Coordination of Economic Announcements  
(Prepared At Your Request)

Attached is the memorandum you requested concerning the coordination of economic announcements. I believe the memo reflects your principal concerns:

- 1) that Administration officials, in their public statements about economic policy and future economic performance, take coordinated and consistent positions;
- 2) that each official who intends to announce a significant initiative or commitment fully inform his colleagues in advance, so that any disagreement may be referred to you before the matter becomes public; and
- 3) that our economic decisions be based on the latest available economic data and forecasts.



THE WHITE HOUSE

WASHINGTON

Date: June 2, 1977

MEMORANDUM

FOR ACTION:

FOR INFORMATION:

JIM FALLOWS - *concur*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Stu Eizenstat's memo 6/2/77 re Coordination of  
Economic Announcements

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE  
TURNAROUND

DAY:

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

*Please note other comments below:*

Note -

Bob Linder has original for retyping -

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

THE WHITE HOUSE  
WASHINGTON

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

X	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
X	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
X	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
X	LINDER <i>retype memo</i>
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

*Stu*

SUBJECT:

Coordination of Economic Announcements  
(Prepared At Your Request)

Attached is the memorandum you requested concerning the coordination of economic announcements. I believe the memo reflects your principal concerns:

- 1) that Administration officials, in their public statements about economic policy and future economic performance, take coordinated and consistent positions;
- 2) that each official who intends to announce a significant initiative or commitment fully inform his colleagues in advance, so that any disagreement may be referred to you before the matter becomes public; and
- 3) that our economic decisions be based on the latest available economic data and forecasts.



THE WHITE HOUSE

WASHINGTON

June 2, 1977

MEMORANDUM FOR

THE SECRETARY OF THE TREASURY  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF LABOR  
DIRECTOR, OFFICE OF MANAGEMENT  
AND BUDGET  
CHAIRMAN, COUNCIL OF ECONOMIC  
ADVISERS  
THE SECRETARY TO THE CABINET  
ASSISTANT TO THE PRESIDENT FOR  
DOMESTIC AFFAIRS AND POLICY

It is important that, in their public statements, members of the Administration take coordinated and consistent positions on matters of economic policy. I also want to make certain that those positions are based on the latest available economic data and projections.

Toward those ends, I request that:

- 1) Prior to your announcing any significant economic policy initiative or commitment, you provide advance copies (or other notification) to your colleagues listed above.

Any disagreements over the proposed announcement can be referred to me.

- 2) Prior to your release of any significant economic forecast, you provide similar advance notification.

Proposed legislation and Congressional testimony should continue to be cleared through OMB, in accordance with the normal procedure.

Rick

Memo approved by John Ratchford for Bob  
Linder

Trudy

THE WHITE HOUSE  
WASHINGTON

Date: June 2, 1977

MEMORANDUM

FOR ACTION:

FOR INFORMATION:

JIM FALLOWS

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Stu Eizenstat's memo 6/2/77 re Coordination of  
Economic Announcements

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: IMMEDIATE  
TURNAROUND  
DAY:  
DATE:

ACTION REQUESTED:

☒ Your comments  
Other:

*File with re  
In F 6/3/77*

STAFF RESPONSE:

☐ I concur.  
Please note other comments below:

☐ No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON	X	KRAFT
	BOURNE		LANCE
	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Tim Kraft  
Jack Watson

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Access and Openness

Electrostatic Copy Made  
for Preservation Purposes

THE PRESIDENT HAS STAYED

THE WHITE HOUSE  
WASHINGTON

*Tim- Set up  
one hour per wee  
See me i ideas  
on how best to  
use time  
J*

MEMORANDUM TO: Jack Watson

FROM: Jane Frank *Jane*

RE: Access and Openness

I have frequently shared with you both the pleasures and pains of my job here. As you requested, I am outlining a plan whereby the President could become more open and accessible to his White House staff. I believe that in doing so he would benefit from fresh faces and fresh ideas--and assure that more diverse information and judgments reached him. We, in turn, would feel far more involved; far more productive; and much, much happier.

The Problem

From the staff's perspective:

1. Most of the White House staff never see the President and never have any chance to observe first hand what he does during his work day.

2. The one exception that I know of--a buffet lunch on the White House lawn--was appreciated enormously by those who went to it. Still, it was not a chance to see the President in action in a work setting.

3. To my knowledge, the President has never walked around the White House offices--let alone the EOB offices.

4. His most visible presence is in terms of handwritten notes on Xeroxed copies of memoranda that have been read by him. I believe that merely reading his reactions gives an inadequate sense of what he is about and, frankly, an inadequate inspiration to those who toil long hours on his behalf.

5. Because access to the President for most of the staff is non-existent, there is little or no opportunity for reinforcement of individual staff members from anyone superior to them. The closest approximation is a pat on



the back by a senior staff member--which is meaningful, but to those who come from backgrounds where they ran staffs, operated in a very visible context, had easy contact with various elected or appointed officials, this is a bit of a let down.

From the President's perspective:

1. He gets generally good advice from a trusted inner circle. He does not get much benefit of fresh perspectives or fresh personalities.

2. The inner circle lacks diversity. Most of the people are from Georgia, from the campaign, from the President's past. With the exception of the Vice President, not one is a "Washington insider." Not one comes from a position of senior responsibility in a state government other than Georgia's; in a major business outside Georgia; or in some other professional or public service activity outside Georgia.

3. All of the inner circle involved in policy matters are white and male.

#### A Proposed Solution

While trust must be earned and not simply granted, and ability must be demonstrated and not simply assumed, there are some ways in which the President could improve the work climate for his staff and, indeed, assure a fuller discussion of policy options before he makes decisions:

1. Every day he should do one activity that involves members of his White House office he would not normally come in contact with. Greg Schneiders would be the logical person to dream up some of these options, and Tim Kraft could be sure that one a day is on the President's schedule. Activities might include a walk around the building; holding a meeting in a staff member's office instead of the Oval Office so that he comes in contact with secretaries and other professionals; inviting several staff members down for a chat; picking up the phone and calling someone he would not normally talk to; asking a subordinate for a memorandum on a topic.

2. Senior White House staff who set up many meetings with the President, Cabinet members and others, and who prepare a list of participants to attend those meetings should be encouraged to include, in each one, a less-than-senior

staff member who has a particular expertise, interest, or perspective that could add to the discussion. The new participant should be encouraged to speak out at the meeting.

3. On a rotating basis, staff should be invited to attend weekly Cabinet meetings--to get a personal sense of that dynamic. By staff I mean secretaries, research aides, and other Deputies.

4. Special events--like lunch on the White House lawn--should continue from time to time. While these gatherings are too large to permit the kind of personal contact I believe is essential, they still give a chance for some socializing to occur.

5. While I realize this is a touchy subject, morale could be improved if occasionally the tennis court and/or swimming pool were made available to the non-senior staff. Perhaps one of the social events I suggested earlier might be a "swim party" for some number of staff or maybe even spouses and children. Just as the President invites members of Congress on a rotating basis to get to know them better, he might do the same with his own personal staff.

#### One Caveat

None of these suggestions will work if they are undertaken grudgingly. If the President does not want more access to his staff, "going through the motions" will not achieve any positive results. I believe that the problem does not stem from a lack of interest or good will on his part, but rather from those natural forces that have tended historically, in every White House, to isolate increasingly any President from those around him. The best way to resist these forces is to embark soon on a program of openness and access. Speaking for myself, nothing would please me more.



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Hamilton Jordan -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Letter from Robert H. McKinney



THE PRESIDENT HAS SEEN.

LAW OFFICES

**BOSE MCKINNEY & EVANS**

1100 FIRST FEDERAL BUILDING  
11 NORTH PENNSYLVANIA STREET  
INDIANAPOLIS, INDIANA 46204

AREA CODE 317  
637-5353

LEWIS C. BOSE  
ROBERT H. MCKINNEY  
WILLIAM M. EVANS  
WAYNE C. PONADER  
JAMES P. SEIDENSTICKER, JR.  
JOHN W. WYNNE  
CHARLES F. CREMER, JR.  
DONALD R. ANDERSON  
ROBERT P. KASSING  
G. PEARSON SMITH, JR.  
DAVID A. BUTCHER  
PHILIP A. NICELY  
JAMES F. MATTHEWS  
KENNETH R. BARKER  
THEODORE J. NOWACKI  
KENDALL C. CROOK  
RONALD E. ELBERGER  
THOMAS M. JOHNSTON  
MARK W. FORD  
KIMBERLY NOLAND RYAN  
DAVID L. WILLS  
CHARLES R. RUBRIGHT  
DARELL E. ZINK, JR.

**NORTH OFFICE**  
5650 WEST 85TH STREET  
SUITE 201  
INDIANAPOLIS, INDIANA 46278  
637-5353

**WASHINGTON, D. C. OFFICE**  
1900 L STREET, N. W.  
SUITE 309  
WASHINGTON, D. C. 20036

June 2, 1977

**COUNSEL**  
HARVEY A. GRABILL  
CHARLES C. BAKER

Honorable Jimmy Carter  
The White House  
Washington, D. C. 20500

Dear Mr. President:

I am deeply honored by the confidence you have shown in me as expressed by your recent selection of me to be the Chairman of the Federal Home Loan Bank Board. I did not seek this position and agreed to it with the reservations that I expressed to you earlier.

Since I last talked to you, my family, my business associates and friends, and my businesses have been attacked, maliciously and inaccurately, by some consumer activists. This is primarily because I am involved in so many affairs directly related to the savings and loan business through my law firm and its clients, my life insurance company, my building supply and construction related companies, and through the savings and loan itself.

All of my activities unequivocally have been conducted in an ethical, moral and legal manner. The issue is that I have been measurably successful and the activists are trying to equate this success with "redlining" and lack of sensitivity to the consumer. My record is clearly otherwise. My situation just happens to be uniquely related to the Federal Home Loan Bank Board position, since all of my interests relate in some way, directly or indirectly, to it. This

BOSE MCKINNEY & EVANS

Honorable Jimmy Carter  
June 2, 1977  
Page Two

does give the consumer activists an unforeseen opportunity to cloud the real issues.

I am informed that even today the Nader people are combing Indianapolis for evidence of conflicts of interest on my part and redlining by my savings and loan. No provable conflicts will be found. I am proud of the urban investment record of my savings and loan.

I have met with the members of the Senate Banking Committee and prepared myself on the issues. I am confident, if we should proceed ahead, of ultimate victory after a very vocal and bitter combat. In winning, however, I may do the following:

1. Create a difficult working relationship for the future with the Senate Banking Committee and the consumer activists. This may well do harm and delay accomplishment of the programs so essential to the housing and savings and loan industries, and to the solution for reinvestment of capital in our urban areas.
2. Cause unjustified slander of my family, friends, business associates and businesses.

I would almost relish the battle with Senator Proxmire and the consumer activists. I have strong friends in the Senate and believe the fight can be won. I have, however, come to question the advisability of the fight for the harm that it may do to the ultimate success of the job itself, and because collaterally, it is for a position that I have not sought.



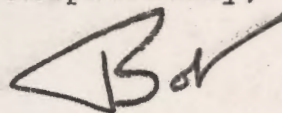
BOSE MCKINNEY & EVANS

Honorable Jimmy Carter  
June 2, 1977  
Page Three

The only reason I have hesitated from withdrawing earlier is that it will appear to some that I did it because of the irresponsible charges of the consumer activists. I have never backed away from a fight. You have some evidence of this due to my early support of your Presidential bid prior to the Indiana Primary when almost all the local politicians were backing your opponents. I will still make that fight, if that is in the country's truly best interest.

I am excited about your great accomplishments to date as President and sincerely hope that I will be able to join your team. This has been the most difficult decision I have ever made. It has been made after deep deliberation in the hope that it is the best for you, for me and for this great country of ours.

Respectfully,

A handwritten signature in dark ink, appearing to be 'R. McKinney', written over a large, stylized, handwritten letter 'B'.

Robert H. McKinney

RHM:dmk



## MEMORANDUM

DATE: May 14, 1977

RE: Summary of Conferences held with the Members of  
the Senate Committee on Banking, Housing and  
Urban Affairs

---

I met with all of the Senators on the Committee with the exception of William Proxmire of Wisconsin who was unwilling to meet and Senator Tower of Texas, who was unable to fit me into his schedule as he was out of the city on Monday and Tuesday of that Week.

### DEMOCRATS

JOHN J. SPARKMAN - ALABAMA. Senator Sparkman is the former Chairman of the Senate Banking Committee, but he resigned his post to take over as Chairman of the Senate Foreign Relations Committee, a more prestigious title. Senator Sparkman was very friendly, but he is obviously aging. He said he would help me, et cetera. His secretary sat in on the meeting and took notes of our conversation. His daughter and her husband are close friends of Birch Bayh so I believe there is a warm connection between Birch and Senator Sparkman for this and other reasons.

THOMAS J. MCINTYRE - NEW HAMPSHIRE. Senator McIntyre is the Chairman of the Finance Institutions Subcommittee of the Banking Committee, so he is very knowledgeable and interested in this area. Senator McIntyre also had join us Bill Webber, who was on the staff of the Banking Committee and his Banking Assistant, T. J. Odin. Senator McIntyre was friendly and said one of his closest friends was Birch Bayh, which I understand is the case, and they are neighbors also. He questioned the conflicts relative to the comments I had made in letters to the Federal Home Loan Bank Board, and I took some time in explaining to him why I had made the



Memorandum  
May 14, 1977  
Page Two

comments that I had made and why I felt it was important that leaders of industry take positions with the agencies that are regulating them. He seemed satisfied with my answers. I think he will be a vigorous questioner but in the long run I think he is a fair person.

PAUL S. SARBANES - MARYLAND. Senator Sarbanes is an impressive person who spent a considerable amount of time talking to me. He is knowledgeable and urbane. He got out of the files previous testimony of other hearings and also asked his assistant to go over and xerox the latest hearings involving the savings and loan industry before the Banking Committee since they won't be printed for a few more weeks. He also commented that Garth Marston, the present Acting Chairman of the Federal Home Loan Bank Board, testified at that hearing. He gave me a copy of Marston's testimony and said that, frankly, he felt it was very, very inadequate. I should react to Senator Sarbanes thanking him for the material and reminding him about the fact that he was sending me the xerox copies. He is a close friend of my friend, Congressman John Brademas.

ADLAI E. STEVENSON - ILLINOIS. I had a very pleasant and relaxed meeting with Adlai Stevenson. He seemed, however, somewhat preoccupied and quiet. He was very friendly, said he saw no problem with my nomination and would be happy to help me in any way he possibly could. I was surprised, though, that he was so quiet and unforceful.

DONALD W. RIEGLE, JR. - MICHIGAN. Senator Riegle surprised me with his dynamism. He recounted the fact that he had been a Republican, had converted to being a Democrat, gone through the divorce and the scandal about his mistress and I could frankly see that he was a fighter. He was very friendly. He told me of the opposition I would have from Senator Proxmire and tried to coach me some on my opening statement that I should make to the Committee. In other words, he said that I should be aggressive and that I should tell the Committee why I wanted to be Chairman, what I felt I could do as Chairman, and how I could be independent of everyone, including Congress and the Executive Branch; in other words, responsible only to the people.



Memorandum  
May 14, 1977  
Page Three

ALAN CRANSTON - CALIFORNIA. Senator Cranston is from Los Angeles which supports the home of the largest savings and loan in the country. I met with Alan Cranston and he asked Carolyn Jordan, his Legislative Assistant to be with us. He made it known that Carolyn wanted Grady Perry's job on the Federal Home Loan Bank Board. Senator Cranston asked me questions about the conflicts of interest that had been fed to him by Ken McClain, the staff man at the Banking Committee. I went into some detail on the entire area and left him a copy of my resume and after discussing it in some detail he said he didn't see any problems and that he would try to be very helpful in any way he could.

HARRISON A. WILLIAMS, JR. - NEW JERSEY. Senator Williams is a long term Senator who is highly political in his activities. He is a close friend of Bayh's and thinks very highly of Birch. I don't really believe he is interested in much detail about the banking industry, but I would guess he is a liberal in his views. I met with two members of his staff and we did discuss the conflicts question and the various jobs that I hold. I think he is very friendly but I really am not sure of his position other than I would say he would lean toward the liberal side as I said.

ROBERT MORGAN - NORTH CAROLINA. Senator Morgan is a lawyer, currently a director of a North Carolina Savings and Loan Association and a former Attorney General of the State of North Carolina. He is a moderate fiscally in his views and feels strongly that savings and loans should keep their distinction from the commercial banks. He feels that this is important for the housing industry. He has a plan that he has proposed from time to time relative to providing special low interest rate money for first mortgage loans to residential real estate. We did not discuss it in detail but it would obviously have to a subsidized governmental program. Senator Morgan will be very helpful and a friend.



Memorandum  
May 14, 1977  
Page Four

REPUBLICAN

EDWARD W. BROOKE - MASSACHUSETTS. I had difficulty in making this arrangement but I particularly wanted to meet with Ed Brooke because I know that he is influential and he is the ranking minority member of one of the committees. Senator Brooke also had present his key Legislative Aid, Jerry Buckley. Senator Brooke was very interested in the consumer issues; he was formerly Attorney General of Massachusetts and particularly asked me some questions as follows:

- A. Lawyers serving on the board of savings and loans and also doing the legal work. He saw no problem necessarily with it, but considered it a consumer issue that I should be well prepared on. I told him that some of the advantages I saw in particular as it related to a savings and loan where the lawyer would be particularly knowledgeable in the areas of financing, EEOC, Redlining and other regulatory problems. I told him in the case of First Federal where we did represent them on residential loans, but that there was no tie-in whatsoever relative to acting as attorney for the borrower. I also told him of our charge of \$15.00 per loan which was the same charge that I had made when I acted as attorney back in 1953. He agreed with me that this sounded like a very, very reasonable charge.
- B. He said he had heard of my other substantial holdings and wondered if they would create a problem. I told him that I didn't think they would but that I intended putting them in a trust, in any event. This seemed to satisfy him.
- C. He said that he had heard that First Federal had done some redlining. I, of course, told



Memorandum  
May 14, 1977  
Page Five

him that I didn't think this was the case and that I would be as prepared on this issue as well as anybody could. I left him with the feeling that he's tough and fair and uncommitted.

RICHARD G. LUGAR - INDIANA. Dick was very helpful to me and I think will continue to be so. His biggest question was as to why the heck I wanted the job, which was a question asked by most of the Republicans. They couldn't see why I would want to leave the type of work I was in and take on the problems of the Federal Home Loan Bank Board. Dick does not know much about the savings and loan business or the Federal Home Loan Bank Board. I did spend some time educating him and I should continue to do that as the matter progresses towards hearing.

H. JOHN HEINZ, III - PENNSYLVANIA. Senator Heinz is a very outgoing friendly person. He admits he knows very little about banking or the savings and loan industry, but he does think that people from the industry should be involved and said frankly he was appreciative that I was willing to take the job. He has trouble getting along with Proxmire and says frankly he will remind Proxmire about the Pat Harris episode when he criticized Pat Harris for not having enough experience. He thinks it somewhat of an enigma for Proxmire to complain that I have too much experience.

JAKE GARN - UTAH. Senator Garn is the former Mayor of Salt Lake City and has known Dick Lugar for a long time. They are apparently good friends. He is very business oriented, he is the same age as Dick Lugar and has a strong dislike for Ken McClain, the head staff guy at the Banking Committee. He thinks McClain hates all businessmen and told me that he had telephoned the White House to say that if they ever proposed McClain for this job, he would do anything within his power to defeat him. He still thinks that Stone, a previous nominee for this job, had no conflict, so I would think he would certainly not think I have a conflict. He will be helpful.

Memorandum  
May 14, 1977  
Page Six

HARRISON H. SCHMITT - NEW MEXICO. Senator Schmitt is young and pleasant. He is from Silver City, New Mexico. He is a geologist by training, but not very well informed about banking and hard to figure out. I see no reason why he wouldn't be helpful, however.

I also met with Kenneth McClain, the Staff Director for the Senate Banking Committee, along with Bob Kuttner, his Assistant. I didn't have a lot of time, as I was in between meetings with other Senators. McClain was reasonably friendly, but asked rather pointed questions about conflicts, the concrete business, et cetera. I am sure he will do his utmost to give information to Proxmire which will be as difficult as possible, in other words, he's out to get me if at all possible.



THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Bob Lipshutz -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Removal of Official Documents

THE WHITE HOUSE  
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
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	FOR STAFFING
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	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

THE PRESIDENT HAS SEEN.

Removal of official documents

In the past, many senior political appointees and even senior military officers have treated logs, memoranda of meetings, records of telephone conversations, and other documents generated during their tenure as personal property. Many leave office with these records thus leaving large gaps in the files. These gaps often leave the Government unable to defend itself in subsequent legal actions.

Strict rules should be issued requiring that any documents prepared in the course of Government employment belong to the Government and may not be removed from Government custody except pursuant to standard Government records disposal instructions. Officials should be allowed to keep copies of such documents, providing the information is unclassified.

*Lipschutz -  
advise  
J*



*copy*

MEMORANDUM OF INFORMATION FOR THE FILE

DATE June 4, 1977

EXECUTIVE

*FE 10*

*PR 5-2*

*FE 6-1-1/Lipshutz*

*Robert*

*PR 14-8*

~~LETTER, MEMO, ETC.~~

TO: Bob Lipshutz

FROM: Rick Hutcheson

SUBJECT: Removal of Official Documents

Attachment:  
Statement on above subject

CORRESPONDENCE FILED

PRESIDENTIAL  
HANDWRITING FILE

*Handwritten notes and stamps in bottom right corner, including "CENTRAL FILE"*

THE WHITE HOUSE  
WASHINGTON

June 4, 1977

Bob Linder -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: President's Message to  
Commercial Exhibitions Abroad

1  
5/81 X



**Electrostatic Copy Made  
for Preservation Purposes**

---

THE WHITE HOUSE  
WASHINGTON

Mr. President:

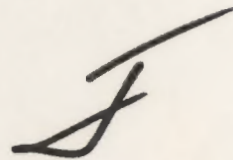
At U.S. commercial exhibitions abroad, the Department of Commerce routinely displays a large sign with a signed greeting from the President.

This greeting, drafted by Jim Fallows, is attached.

If you approve, we will use a copy of your signature from the pen.

  /   approve           disapprove

---Rick

A handwritten signature in dark ink, appearing to be "Rick Warren", written in a cursive style.



**Electrostatic Copy Made  
for Preservation Purposes**

Welcome to the United States Exhibition at  
(name of fair).

All of us on this planet are joined by a common hope for a better life, and by the knowledge that this hope can be realized only in a peaceful world.

International commerce is one of the best tools we have in building that kind of world--because it benefits people directly at the same time as it builds practical cooperation between nations. That is why the United States is pleased to take part in this important trade event.

The products on display here exemplify <sup>some of the</sup> the finest material achievements of United States citizens at work. Our exhibitors look forward to serving you.

May you have a useful and enjoyable visit.

JIMMY CARTER



UNITED STATES DEPARTMENT OF COMMERCE  
Office of the Secretary  
Washington, D.C. 20230

May 13, 1977

Mr. Robert Linder  
Chief Executive Clerk  
The White House  
Washington, D. C. 20500

Dear Mr. Linder:

Enclosed is a copy of a standard Presidential message, as approved by Eliska Hasek, Director, Office of Presidential Messages, for use by the Commerce Department's Domestic and International Business Administration at U.S. commercial exhibitions abroad. The events at which the message is intended to be displayed are shown on Pages 1 through 7 of the publication, Overseas Export Promotion Calendar.

In the period since January 20, the trade centers and trade fairs have been using a message that was previously in use, without a signature.

In order to place the newly approved message into production for large signs at the entrances of trade centers and trade fairs, a copy of the President's signature will be required. The signature should be in black on plain 8 x 10-1/2 white paper.

Miss Hasek's office suggested we contact you to obtain the signature. Your assistance in this matter will be greatly appreciated.

Sincerely,

Ernest A. Lotito  
Director of Communications

Enclosures





THE WHITE HOUSE  
WASHINGTON

Mr. President:

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  /   approve           disapprove

---Rick



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May you have a useful and enjoyable visit.

JIMMY CARTER



UNITED STATES DEPARTMENT OF COMMERCE  
Office of the Secretary  
Washington, D.C. 20230

May 13, 1977

Mr. Robert Linder  
Chief Executive Clerk  
The White House  
Washington, D. C. 20500

Dear Mr. Linder:

Enclosed is a copy of a standard Presidential message, as approved by Eliska Hasek, Director, Office of Presidential Messages, for use by the Commerce Department's Domestic and International Business Administration at U.S. commercial exhibitions abroad. The events at which the message is intended to be displayed are shown on Pages 1 through 7 of the publication, Overseas Export Promotion Calendar.

In the period since January 20, the trade centers and trade fairs have been using a message that was previously in use, without a signature.

In order to place the newly approved message into production for large signs at the entrances of trade centers and trade fairs, a copy of the President's signature will be required. The signature should be in black on plain 8 x 10-1/2 white paper.

Miss Hasek's office suggested we contact you to obtain the signature. Your assistance in this matter will be greatly appreciated.

Sincerely,

Ernest A. Lotito  
Director of Communications

Enclosures

